
HOUSE BILL No. 1242

DIGEST OF INTRODUCED BILL

Citations Affected: IC 6-1.1.

Synopsis: Deductions for contract and co-op property. Specifies that a person who uses cooperative housing corporation property as the person's principal residence must demonstrate a substantial equity interest in the shares of the cooperative housing corporation to qualify the property as a homestead. Consolidates duplicated provisions setting conditions for granting of deductions for property being sold under an installment contract into a single section. Provides that property subject to an installment contract does not qualify for a property tax deduction unless the installment contract is an enforceable contract. Requires that contracts for the sale of real property that are entered into after March 31, 2012, must specify the total contract price for the sale of the property.

Effective: Upon passage.

Pryor

January 9, 2012, read first time and referred to Committee on Ways and Means.

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PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2011 Regular Session of the General Assembly.

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HOUSE BILL No. 1242

A BILL FOR AN ACT to amend the Indiana Code concerning taxation.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 6-1.1-1-5.6 IS ADDED TO THE INDIANA CODE
2 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE
3 UPON PASSAGE]: **Sec. 5.6. "Eligible cooperative housing
4 corporation" means:**

- 5 (1) for property taxes first due and payable before January 1,
- 6 2013, a cooperative housing corporation (as defined in Section
- 7 216 of the Internal Revenue Code); and
- 8 (2) for property taxes first due and payable after December
- 9 31, 2012, a cooperative housing corporation (as defined in
- 10 Section 216 of the Internal Revenue Code) that:
- 11 (A) owns residential property; and
- 12 (B) is not a leasing or zero equity cooperative.

13 SECTION 2. IC 6-1.1-1-14.5 IS ADDED TO THE INDIANA
14 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
15 [EFFECTIVE UPON PASSAGE]: **Sec. 14.5. (a) "Qualified
16 installment contract" means, for property taxes first due and
17 payable before January 1, 2013, a contract for the purchase of real**



1 **property, a mobile home, or a manufactured home that:**

2 **(1) provides that one (1) or more individuals purchasing the**
 3 **real property, mobile home, or manufactured home are to pay**
 4 **property taxes on the real property, mobile home, or**
 5 **manufactured home; and**

6 **(2) is recorded in the county recorder's office or referenced in**
 7 **a memorandum of the contract that is recorded in the county**
 8 **recorder's office.**

9 **(b) For property taxes first due and payable after December 31,**
 10 **2012, "qualified installment contract" means a contract that:**

11 **(1) is for the sale of real property, a mobile home, or a**
 12 **manufactured home; and**

13 **(2) meets the requirements specified under IC 6-1.1-12-39.**

14 SECTION 3. IC 6-1.1-1-14.7 IS ADDED TO THE INDIANA
 15 CODE AS A NEW SECTION TO READ AS FOLLOWS
 16 [EFFECTIVE UPON PASSAGE]: **Sec. 14.7. "Qualified**
 17 **tenant-stockholder" means, for property taxes first due and**
 18 **payable before January 1, 2013, a tenant-stockholder (as defined**
 19 **in 26 U.S.C. 216) in a cooperative housing corporation (as defined**
 20 **in Section 216 of the Internal Revenue Code) and, for property**
 21 **taxes first due and payable after December 31, 2012, an individual**
 22 **who:**

23 **(1) qualifies as a tenant-stockholder (as defined in 26 U.S.C.**
 24 **216) of an eligible cooperative housing corporation;**

25 **(2) uses property owned by the eligible cooperative housing**
 26 **corporation as the individual's principal place of residence;**
 27 **and**

28 **(3) can demonstrate an ownership interest in the shares of the**
 29 **cooperative housing corporation that has a value that is at**
 30 **least equal to the true tax value of the property that the**
 31 **individual uses as the individual's principal place of residence.**

32 SECTION 4. IC 6-1.1-12-1, AS AMENDED BY P.L.81-2010,
 33 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 34 UPON PASSAGE]: **Sec. 1. (a) Each year a person who is a resident of**
 35 **this state may receive a deduction from the assessed value of:**

36 **(1) mortgaged real property, an installment loan financed mobile**
 37 **home that is not assessed as real property, or an installment loan**
 38 **financed manufactured home that is not assessed as real property,**
 39 **with the mortgage or installment loan instrument recorded with**
 40 **the county recorder's office, that the person owns;**

41 **(2) real property, a mobile home that is not assessed as real**
 42 **property, or a manufactured home that is not assessed as real**

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1 property that the person is buying under a **qualified installment**
 2 contract; ~~with the contract or a memorandum of the contract~~
 3 ~~recorded in the county recorder's office, which provides that the~~
 4 ~~person is to pay the property taxes on the real property, mobile~~
 5 ~~home, or manufactured home; or~~

6 (3) real property, a mobile home that is not assessed as real
 7 property, or a manufactured home that the person owns or is
 8 buying on a **qualified installment** contract ~~described in~~
 9 ~~subdivision (2)~~ on which the person has a home equity line of
 10 credit that is recorded in the county recorder's office.

11 (b) Except as provided in section 40.5 of this chapter, the total
 12 amount of the deduction which the person may receive under this
 13 section for a particular year is:

14 (1) the balance of the mortgage or **qualified installment** contract
 15 indebtedness (including a home equity line of credit) on the
 16 assessment date of that year;

17 (2) one-half (1/2) of the assessed value of the real property,
 18 mobile home, or manufactured home; or

19 (3) three thousand dollars (\$3,000);

20 whichever is least.

21 (c) A person who has sold real property, a mobile home not assessed
 22 as real property, or a manufactured home not assessed as real property
 23 to another person under a **qualified installment** contract ~~which~~
 24 ~~provides that the contract buyer is to pay the property taxes on the real~~
 25 ~~property, mobile home, or manufactured home~~ may not claim the
 26 deduction provided under this section with respect to that real property,
 27 mobile home, or manufactured home.

28 (d) The person must:

29 (1) own the real property, mobile home, or manufactured home;
 30 or

31 (2) be buying the real property, mobile home, or manufactured
 32 home under a **qualified installment** contract;

33 on the date the statement is filed under section 2 of this chapter.

34 SECTION 5. IC 6-1.1-12-2, AS AMENDED BY P.L.81-2010,
 35 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 36 UPON PASSAGE]: Sec. 2. (a) Except as provided in section 17.8 of
 37 this chapter and subject to section 45 of this chapter, for a person to
 38 qualify for the deduction provided by section 1 of this chapter a
 39 statement must be filed under subsection (b) or (c). Regardless of the
 40 manner in which a statement is filed, the mortgage, **qualified**
 41 **installment** contract, or memorandum (including a home equity line of
 42 credit) must be recorded with the county recorder's office to qualify for

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1 a deduction under section 1 of this chapter.

2 (b) Subject to subsection (c), to apply for the deduction under
 3 section 1 of this chapter with respect to real property, the person
 4 recording the mortgage, home equity line of credit, **qualified**
 5 **installment** contract, or memorandum of the **qualified installment**
 6 contract with the county recorder may file a written statement with the
 7 county recorder containing the information described in subsection
 8 (e)(1), (e)(2), (e)(3), (e)(4), (e)(6), (e)(7), and (e)(8). The statement
 9 must be prepared on the form prescribed by the department of local
 10 government finance and be signed by the property owner or **qualified**
 11 **installment** contract purchaser under the penalties of perjury. The form
 12 must have a place for the county recorder to insert the record number
 13 and page where the mortgage, home equity line of credit, **qualified**
 14 **installment** contract, or memorandum of the **qualified installment**
 15 contract is recorded. Upon receipt of the form and the recording of the
 16 mortgage, home equity line of credit, **qualified installment** contract,
 17 or memorandum of the **qualified installment** contract, the county
 18 recorder shall insert on the form the record number and page where the
 19 mortgage, home equity line of credit, **qualified installment** contract,
 20 or memorandum of the **qualified installment** contract is recorded and
 21 forward the completed form to the county auditor. The county recorder
 22 may not impose a charge for the county recorder's duties under this
 23 subsection. The statement must be completed and dated in the calendar
 24 year for which the person wishes to obtain the deduction and filed with
 25 the county recorder on or before January 5 of the immediately
 26 succeeding calendar year.

27 (c) With respect to:

- 28 (1) real property as an alternative to a filing under subsection (b);
 29 or
 30 (2) a mobile home that is not assessed as real property or a
 31 manufactured home that is not assessed as real property;

32 to apply for a deduction under section 1 of this chapter, a person who
 33 desires to claim the deduction may file a statement in duplicate, on
 34 forms prescribed by the department of local government finance, with
 35 the auditor of the county in which the real property, mobile home not
 36 assessed as real property, or manufactured home not assessed as real
 37 property is located. With respect to real property, the statement must
 38 be completed and dated in the calendar year for which the person
 39 wishes to obtain the deduction and filed with the county auditor on or
 40 before January 5 of the immediately succeeding calendar year. With
 41 respect to a mobile home that is not assessed as real property or a
 42 manufactured home that is not assessed as real property, the statement

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1 must be filed during the twelve (12) months before March 31 of each
 2 year for which the individual wishes to obtain the deduction. The
 3 statement may be filed in person or by mail. If mailed, the mailing must
 4 be postmarked on or before the last day for filing. In addition to the
 5 statement required by this subsection, a **qualified installment** contract
 6 buyer who desires to claim the deduction must submit a copy of the
 7 recorded **qualified installment** contract or recorded memorandum of
 8 the **qualified installment** contract, which must contain a legal
 9 description sufficient to meet the requirements of IC 6-1.1-5, with the
 10 first statement that the buyer files under this section with respect to a
 11 particular parcel of real property.

12 (d) Upon receipt of:

- 13 (1) the statement under subsection (b); or
 14 (2) the statement under subsection (c) and the recorded **qualified**
 15 **installment** contract or recorded memorandum of the **qualified**
 16 **installment** contract;

17 the county auditor shall assign a separate description and identification
 18 number to the parcel of real property being sold under the **qualified**
 19 **installment** contract.

20 (e) The statement referred to in subsections (b) and (c) must be
 21 verified under penalties for perjury. The statement must contain the
 22 following information:

- 23 (1) The balance of the person's mortgage, home equity line of
 24 credit, or **qualified installment** contract indebtedness that is
 25 recorded in the county recorder's office on the assessment date of
 26 the year for which the deduction is claimed.
 27 (2) The assessed value of the real property, mobile home, or
 28 manufactured home.
 29 (3) The full name and complete residence address of the person
 30 and of the mortgagee or **qualified installment** contract seller.
 31 (4) The name and residence of any assignee or bona fide owner or
 32 holder of the mortgage, home equity line of credit, or **qualified**
 33 **installment** contract, if known, and if not known, the person shall
 34 state that fact.
 35 (5) The record number and page where the mortgage, **qualified**
 36 **installment** contract, or memorandum of the **qualified**
 37 **installment** contract is recorded.
 38 (6) A brief description of the real property, mobile home, or
 39 manufactured home which is encumbered by the mortgage or
 40 home equity line of credit or sold under the **qualified installment**
 41 contract.
 42 (7) If the person is not the sole legal or equitable owner of the real

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- 1 property, mobile home, or manufactured home, the exact share of
 2 the person's interest in it.
- 3 (8) The name of any other county in which the person has applied
 4 for a deduction under this section and the amount of deduction
 5 claimed in that application.
- 6 (f) The authority for signing a deduction application filed under this
 7 section may not be delegated by the real property, mobile home, or
 8 manufactured home owner or **qualified installment** contract buyer to
 9 any person except upon an executed power of attorney. The power of
 10 attorney may be contained in the recorded mortgage, **qualified**
 11 **installment** contract, or memorandum of the **qualified installment**
 12 contract, or in a separate instrument.
- 13 (g) A closing agent (as defined in section 43(a)(2) of this chapter)
 14 is not liable for any damages claimed by the property owner or
 15 **qualified installment** contract purchaser because of:
- 16 (1) the closing agent's failure to provide the written statement
 17 described in subsection (b);
- 18 (2) the closing agent's failure to file the written statement
 19 described in subsection (b);
- 20 (3) any omission or inaccuracy in the written statement described
 21 in subsection (b) that is filed with the county recorder by the
 22 closing agent; or
- 23 (4) any determination made with respect to a property owner's or
 24 **qualified installment** contract purchaser's eligibility for the
 25 deduction under section 1 of this chapter.
- 26 (h) The county recorder may not refuse to record a mortgage,
 27 **qualified installment** contract, or memorandum because the written
 28 statement described in subsection (b):
- 29 (1) is not included with the mortgage, home equity line of credit,
 30 **qualified installment** contract, or memorandum of the **qualified**
 31 **installment** contract;
- 32 (2) does not contain the signatures required by subsection (b);
- 33 (3) does not contain the information described in subsection (e);
 34 or
- 35 (4) is otherwise incomplete or inaccurate.
- 36 (i) The form prescribed by the department of local government
 37 finance under subsection (b) and the instructions for the form must
 38 both include a statement:
- 39 (1) that explains that a person is not entitled to a deduction under
 40 section 1 of this chapter unless the person has a balance on the
 41 person's mortgage or **qualified installment** contract indebtedness
 42 that is recorded in the county recorder's office (including any

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- 1 home equity line of credit that is recorded in the county recorder's
 2 office) that is the basis for the deduction; and
 3 (2) that specifies the penalties for perjury.
- 4 (j) The department of local government finance shall develop a
 5 notice:
- 6 (1) that must be displayed in a place accessible to the public in
 7 the office of each county auditor;
 8 (2) that includes the information described in subsection (i); and
 9 (3) that explains that the form prescribed by the department of
 10 local government finance to claim the deduction under section 1
 11 of this chapter must be signed by the property owner or **qualified**
 12 **installment** contract purchaser under the penalties of perjury.
- 13 SECTION 6. IC 6-1.1-12-9, AS AMENDED BY P.L.113-2010,
 14 SECTION 23, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 15 UPON PASSAGE]: Sec. 9. (a) An individual may obtain a deduction
 16 from the assessed value of the individual's real property, or mobile
 17 home or manufactured home which is not assessed as real property, if:
 18 (1) the individual is at least sixty-five (65) years of age on or
 19 before December 31 of the calendar year preceding the year in
 20 which the deduction is claimed;
 21 (2) the combined adjusted gross income (as defined in Section 62
 22 of the Internal Revenue Code) of:
 23 (A) the individual and the individual's spouse; or
 24 (B) the individual and all other individuals with whom:
 25 (i) the individual shares ownership; or
 26 (ii) the individual is purchasing the property under a
 27 **qualified installment** contract;
 28 as joint tenants or tenants in common;
 29 for the calendar year preceding the year in which the deduction is
 30 claimed did not exceed twenty-five thousand dollars (\$25,000);
 31 (3) the individual has:
 32 (A) owned the real property, mobile home, or manufactured
 33 home for at least one (1) year before claiming the deduction;
 34 or ~~the individual has~~
 35 (B) been buying the real property, mobile home, or
 36 manufactured home under a **qualified installment** contract
 37 ~~that provides that the individual is to pay the property taxes on~~
 38 ~~the real property, mobile home, or manufactured home for at~~
 39 ~~least one (1) year before claiming the deduction; and the~~
 40 ~~contract or a memorandum of the contract is recorded in the~~
 41 ~~county recorder's office;~~
 42 (4) the individual and any individuals covered by subdivision

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- 1 (2)(B) reside on the real property, mobile home, or manufactured
 2 home;
- 3 (5) the assessed value of the real property, mobile home, or
 4 manufactured home does not exceed one hundred eighty-two
 5 thousand four hundred thirty dollars (\$182,430);
- 6 (6) the individual receives no other property tax deduction for the
 7 year in which the deduction is claimed, except the deductions
 8 provided by sections 1, 37, (for assessment dates after February
 9 28, 2008) 37.5, and 38 of this chapter; and
- 10 (7) the person:
- 11 (A) owns the real property, mobile home, or manufactured
 12 home; or
- 13 (B) is buying the real property, mobile home, or manufactured
 14 home under a **qualified installment** contract;
 15 on the date the statement required by section 10.1 of this chapter
 16 is filed.
- 17 (b) Except as provided in subsection ~~(h)~~ (g), in the case of real
 18 property, an individual's deduction under this section equals the lesser
 19 of:
- 20 (1) one-half (1/2) of the assessed value of the real property; or
 21 (2) twelve thousand four hundred eighty dollars (\$12,480).
- 22 (c) Except as provided in subsection ~~(h)~~ (g) and section 40.5 of this
 23 chapter, in the case of a mobile home that is not assessed as real
 24 property or a manufactured home which is not assessed as real
 25 property, an individual's deduction under this section equals the lesser
 26 of:
- 27 (1) one-half (1/2) of the assessed value of the mobile home or
 28 manufactured home; or
 29 (2) twelve thousand four hundred eighty dollars (\$12,480).
- 30 (d) An individual may not be denied the deduction provided under
 31 this section because the individual is absent from the real property,
 32 mobile home, or manufactured home while in a nursing home or
 33 hospital.
- 34 (e) For purposes of this section, if real property, a mobile home, or
 35 a manufactured home is owned by:
- 36 (1) tenants by the entirety;
 37 (2) joint tenants; or
 38 (3) tenants in common;
- 39 only one (1) deduction may be allowed. However, the age requirement
 40 is satisfied if any one (1) of the tenants is at least sixty-five (65) years
 41 of age.
- 42 (f) A surviving spouse is entitled to the deduction provided by this

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1 section if:

- 2 (1) the surviving spouse is at least sixty (60) years of age on or
 3 before December 31 of the calendar year preceding the year in
 4 which the deduction is claimed;
 5 (2) the surviving spouse's deceased husband or wife was at least
 6 sixty-five (65) years of age at the time of a death;
 7 (3) the surviving spouse has not remarried; and
 8 (4) the surviving spouse satisfies the requirements prescribed in
 9 subsection (a)(2) through (a)(7).

10 ~~(g) An individual who has sold real property to another person~~
 11 ~~under a contract that provides that the contract buyer is to pay the~~
 12 ~~property taxes on the real property may not claim the deduction~~
 13 ~~provided under this section against that real property.~~

14 ~~(h)~~ (g) In the case of tenants covered by subsection (a)(2)(B), if all
 15 of the tenants are not at least sixty-five (65) years of age, the deduction
 16 allowed under this section shall be reduced by an amount equal to the
 17 deduction multiplied by a fraction. The numerator of the fraction is the
 18 number of tenants who are not at least sixty-five (65) years of age, and
 19 the denominator is the total number of tenants.

20 SECTION 7. IC 6-1.1-12-10.1, AS AMENDED BY P.L.144-2008,
 21 SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 22 UPON PASSAGE]: Sec. 10.1. (a) Except as provided in section 17.8
 23 of this chapter and subject to section 45 of this chapter, an individual
 24 who desires to claim the deduction provided by section 9 of this
 25 chapter must file a sworn statement, on forms prescribed by the
 26 department of local government finance, with the auditor of the county
 27 in which the real property, mobile home, or manufactured home is
 28 located. With respect to real property, the statement must be filed
 29 during the year for which the individual wishes to obtain the deduction.
 30 With respect to a mobile home that is not assessed as real property or
 31 a manufactured home that is not assessed as real property, the
 32 statement must be filed during the twelve (12) months before March 31
 33 of each year for which the individual wishes to obtain the deduction.
 34 The statement may be filed in person or by mail. If mailed, the mailing
 35 must be postmarked on or before the last day for filing.

36 (b) The statement referred to in subsection (a) shall be in affidavit
 37 form or require verification under penalties of perjury. The statement
 38 must be filed in duplicate if the applicant owns, or is buying under a
 39 **qualified installment** contract, real property, a mobile home, or a
 40 manufactured home subject to assessment in more than one (1) county
 41 or in more than one (1) taxing district in the same county. The
 42 statement shall contain:

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- 1 (1) the source and exact amount of gross income received by the
- 2 individual and the individual's spouse during the preceding
- 3 calendar year;
- 4 (2) the description and assessed value of the real property, mobile
- 5 home, or manufactured home;
- 6 (3) the individual's full name and complete residence address;
- 7 (4) the record number and page where the **qualified installment**
- 8 contract or memorandum of the **qualified installment** contract is
- 9 recorded if the individual is buying the real property, mobile
- 10 home, or manufactured home on a **qualified installment** contract;
- 11 and
- 12 (5) any additional information which the department of local
- 13 government finance may require.

14 (c) In order to substantiate the deduction statement, the applicant
 15 shall submit for inspection by the county auditor a copy of the
 16 applicant's and a copy of the applicant's spouse's income tax returns for
 17 the preceding calendar year. If either was not required to file an income
 18 tax return, the applicant shall subscribe to that fact in the deduction
 19 statement.

20 SECTION 8. IC 6-1.1-12-11, AS AMENDED BY P.L.1-2010,
 21 SECTION 23, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 22 UPON PASSAGE]: Sec. 11. (a) Except as provided in section 40.5 of
 23 this chapter, an individual may have the sum of twelve thousand four
 24 hundred eighty dollars (\$12,480) deducted from the assessed value of
 25 real property, a mobile home not assessed as real property, or a
 26 manufactured home not assessed as real property that the individual
 27 owns, or that the individual is buying under a **qualified installment**
 28 contract, ~~that provides that the individual is to pay property taxes on the~~
 29 ~~real property, mobile home, or manufactured home, if the contract or~~
 30 ~~a memorandum of the contract is recorded in the county recorder's~~
 31 ~~office, and if:~~

- 32 (1) the individual is blind or the individual has a disability;
- 33 (2) the real property, mobile home, or manufactured home is
- 34 principally used and occupied by the individual as the individual's
- 35 residence;
- 36 (3) the individual's taxable gross income for the calendar year
- 37 preceding the year in which the deduction is claimed did not
- 38 exceed seventeen thousand dollars (\$17,000); and
- 39 (4) the individual:
 - 40 (A) owns the real property, mobile home, or manufactured
 - 41 home; or
 - 42 (B) is buying the real property, mobile home, or manufactured

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1 home under a **qualified installment** contract;
2 on the date the statement required by section 12 of this chapter is
3 filed.
4 (b) For purposes of this section, taxable gross income does not
5 include income which is not taxed under the federal income tax laws.
6 (c) For purposes of this section, "blind" has the same meaning as the
7 definition contained in IC 12-7-2-21(1).
8 (d) For purposes of this section, "individual with a disability" means
9 a person unable to engage in any substantial gainful activity by reason
10 of a medically determinable physical or mental impairment which:
11 (1) can be expected to result in death; or
12 (2) has lasted or can be expected to last for a continuous period of
13 not less than twelve (12) months.
14 (e) An individual with a disability filing a claim under this section
15 shall submit proof of disability in such form and manner as the
16 department shall by rule prescribe. Proof that a claimant is eligible to
17 receive disability benefits under the federal Social Security Act (42
18 U.S.C. 301 et seq.) shall constitute proof of disability for purposes of
19 this section.
20 (f) An individual with a disability not covered under the federal
21 Social Security Act shall be examined by a physician and the
22 individual's status as an individual with a disability determined by
23 using the same standards as used by the Social Security Administration.
24 The costs of this examination shall be borne by the claimant.
25 (g) An individual who has sold real property, a mobile home not
26 assessed as real property, or a manufactured home not assessed as real
27 property to another person under a **qualified installment** contract ~~that~~
28 ~~provides that the contract buyer is to pay the property taxes on the real~~
29 ~~property, mobile home, or manufactured home~~ may not claim the
30 deduction provided under this section against that real property, mobile
31 home, or manufactured home.
32 SECTION 9. IC 6-1.1-12-12, AS AMENDED BY P.L.1-2009,
33 SECTION 29, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
34 UPON PASSAGE]: Sec. 12. (a) Except as provided in section 17.8 of
35 this chapter and subject to section 45 of this chapter, a person who
36 desires to claim the deduction provided in section 11 of this chapter
37 must file an application, on forms prescribed by the department of local
38 government finance, with the auditor of the county in which the real
39 property, mobile home not assessed as real property, or manufactured
40 home not assessed as real property is located. With respect to real
41 property, the application must be filed during the year for which the
42 individual wishes to obtain the deduction. With respect to a mobile

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1 home that is not assessed as real property or a manufactured home that
2 is not assessed as real property, the application must be filed during the
3 twelve (12) months before March 31 of each year for which the
4 individual wishes to obtain the deduction. The application may be filed
5 in person or by mail. If mailed, the mailing must be postmarked on or
6 before the last day for filing.

7 (b) Proof of blindness may be supported by:

8 (1) the records of the division of family resources or the division
9 of disability and rehabilitative services; or

10 (2) the written statement of a physician who is licensed by this
11 state and skilled in the diseases of the eye or of a licensed
12 optometrist.

13 (c) ~~The application required by this section must contain the record
14 number and page where the contract or memorandum of the contract
15 is recorded if the individual is buying the real property, mobile home,
16 or manufactured home on a contract that provides that the individual
17 is to pay property taxes on the real property, mobile home, or
18 manufactured home.~~

19 SECTION 10. IC 6-1.1-12-13, AS AMENDED BY P.L.1-2010,
20 SECTION 24, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
21 UPON PASSAGE]: Sec. 13. (a) Except as provided in section 40.5 of
22 this chapter, an individual may have twenty-four thousand nine
23 hundred sixty dollars (\$24,960) deducted from the assessed value of
24 the taxable tangible property that the individual owns, or real property,
25 a mobile home not assessed as real property, or a manufactured home
26 not assessed as real property that the individual is buying under a
27 **qualified installment** contract, ~~that provides that the individual is to~~
28 ~~pay property taxes on the real property, mobile home, or manufactured~~
29 ~~home, if the contract or a memorandum of the contract is recorded in~~
30 ~~the county recorder's office and if:~~

31 (1) the individual served in the military or naval forces of the
32 United States during any of its wars;

33 (2) the individual received an honorable discharge;

34 (3) the individual has a disability with a service connected
35 disability of ten percent (10%) or more;

36 (4) the individual's disability is evidenced by:

37 (A) a pension certificate, an award of compensation, or a
38 disability compensation check issued by the United States
39 Department of Veterans Affairs; or

40 (B) a certificate of eligibility issued to the individual by the
41 Indiana department of veterans' affairs after the Indiana
42 department of veterans' affairs has determined that the

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1 individual's disability qualifies the individual to receive a
 2 deduction under this section; and
 3 (5) the individual:
 4 (A) owns the real property, mobile home, or manufactured
 5 home; or
 6 (B) is buying the real property, mobile home, or manufactured
 7 home under a **qualified installment** contract;
 8 on the date the statement required by section 15 of this chapter is
 9 filed.

10 (b) The surviving spouse of an individual may receive the deduction
 11 provided by this section if the individual would qualify for the
 12 deduction if the individual were alive.

13 (c) One who receives the deduction provided by this section may not
 14 receive the deduction provided by section 16 of this chapter. However,
 15 the individual may receive any other property tax deduction which the
 16 individual is entitled to by law.

17 ~~(d) An individual who has sold real property, a mobile home not
 18 assessed as real property, or a manufactured home not assessed as real
 19 property to another person under a contract that provides that the
 20 contract buyer is to pay the property taxes on the real property, mobile
 21 home, or manufactured home may not claim the deduction provided
 22 under this section against that real property, mobile home, or
 23 manufactured home.~~

24 SECTION 11. IC 6-1.1-12-14, AS AMENDED BY P.L.1-2009,
 25 SECTION 30, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 26 UPON PASSAGE]: Sec. 14. (a) Except as provided in subsection (c)
 27 and except as provided in section 40.5 of this chapter, an individual
 28 may have the sum of twelve thousand four hundred eighty dollars
 29 (\$12,480) deducted from the assessed value of the tangible property
 30 that the individual owns (or the real property, mobile home not
 31 assessed as real property, or manufactured home not assessed as real
 32 property that the individual is buying under a **qualified installment**
 33 contract), ~~that provides that the individual is to pay property taxes on~~
 34 ~~the real property, mobile home, or manufactured home if the contract~~
 35 ~~or a memorandum of the contract is recorded in the county recorder's~~
 36 ~~office) if:~~

- 37 (1) the individual served in the military or naval forces of the
- 38 United States for at least ninety (90) days;
- 39 (2) the individual received an honorable discharge;
- 40 (3) the individual either:
 - 41 (A) has a total disability; or
 - 42 (B) is at least sixty-two (62) years old and has a disability of at

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1 least ten percent (10%);
2 (4) the individual's disability is evidenced by:
3 (A) a pension certificate or an award of compensation issued
4 by the United States Department of Veterans Affairs; or
5 (B) a certificate of eligibility issued to the individual by the
6 Indiana department of veterans' affairs after the Indiana
7 department of veterans' affairs has determined that the
8 individual's disability qualifies the individual to receive a
9 deduction under this section; and
10 (5) the individual:
11 (A) owns the real property, mobile home, or manufactured
12 home; or
13 (B) is buying the real property, mobile home, or manufactured
14 home under a **qualified installment** contract;
15 on the date the statement required by section 15 of this chapter is
16 filed.
17 (b) Except as provided in subsection (c), the surviving spouse of an
18 individual may receive the deduction provided by this section if the
19 individual would qualify for the deduction if the individual were alive.
20 (c) No one is entitled to the deduction provided by this section if the
21 assessed value of the individual's tangible property, as shown by the tax
22 duplicate, exceeds one hundred forty-three thousand one hundred sixty
23 dollars (\$143,160).
24 (d) ~~An individual who has sold real property; a mobile home not~~
25 ~~assessed as real property; or a manufactured home not assessed as real~~
26 ~~property to another person under a contract that provides that the~~
27 ~~contract buyer is to pay the property taxes on the real property, mobile~~
28 ~~home; or manufactured home may not claim the deduction provided~~
29 ~~under this section against that real property, mobile home; or~~
30 ~~manufactured home.~~
31 SECTION 12. IC 6-1.1-12-15, AS AMENDED BY P.L.144-2008,
32 SECTION 19, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
33 UPON PASSAGE]: Sec. 15. (a) Except as provided in section 17.8 of
34 this chapter and subject to section 45 of this chapter, an individual who
35 desires to claim the deduction provided by section 13 or ~~section~~ 14 of
36 this chapter must file a statement with the auditor of the county in
37 which the individual resides. With respect to real property, the
38 statement must be filed during the year for which the individual wishes
39 to obtain the deduction. With respect to a mobile home that is not
40 assessed as real property or a manufactured home that is not assessed
41 as real property, the statement must be filed during the twelve (12)
42 months before March 31 of each year for which the individual wishes

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1 to obtain the deduction. The statement may be filed in person or by
2 mail. If mailed, the mailing must be postmarked on or before the last
3 day for filing. The statement shall contain a sworn declaration that the
4 individual is entitled to the deduction.

5 (b) In addition to the statement, the individual shall submit to the
6 county auditor for the auditor's inspection:

7 (1) a pension certificate, an award of compensation, or a disability
8 compensation check issued by the United States Department of
9 Veterans Affairs if the individual claims the deduction provided
10 by section 13 of this chapter;

11 (2) a pension certificate or an award of compensation issued by
12 the United States Department of Veterans Affairs if the individual
13 claims the deduction provided by section 14 of this chapter; or

14 (3) the appropriate certificate of eligibility issued to the individual
15 by the Indiana department of veterans' affairs if the individual
16 claims the deduction provided by section 13 or 14 of this chapter.

17 (c) If the individual claiming the deduction is under guardianship,
18 the guardian shall file the statement required by this section.

19 (d) ~~If the individual claiming a deduction under section 13 or 14 of~~
20 ~~this chapter is buying real property, a mobile home not assessed as real~~
21 ~~property, or a manufactured home not assessed as real property under~~
22 ~~a contract that provides that the individual is to pay property taxes for~~
23 ~~the real estate, mobile home, or manufactured home, the statement~~
24 ~~required by this section must contain the record number and page~~
25 ~~where the contract or memorandum of the contract is recorded:~~

26 SECTION 13. IC 6-1.1-12-16, AS AMENDED BY P.L.1-2009,
27 SECTION 31, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
28 UPON PASSAGE]: Sec. 16. (a) Except as provided in section 40.5 of
29 this chapter, a surviving spouse may have the sum of eighteen thousand
30 seven hundred twenty dollars (\$18,720) deducted from the assessed
31 value of his or her tangible property, or real property, mobile home not
32 assessed as real property, or manufactured home not assessed as real
33 property that the surviving spouse is buying under a **qualified**
34 **installment** contract, ~~that provides that the surviving spouse is to pay~~
35 ~~property taxes on the real property, mobile home, or manufactured~~
36 ~~home, if the contract or a memorandum of the contract is recorded in~~
37 ~~the county recorder's office, and if:~~

38 (1) the deceased spouse served in the military or naval forces of
39 the United States before November 12, 1918;

40 (2) the deceased spouse received an honorable discharge; and

41 (3) the surviving spouse:

42 (A) owns the real property, mobile home, or manufactured

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1 home; or
 2 (B) is buying the real property, mobile home, or manufactured
 3 home under a **qualified installment** contract;
 4 on the date the statement required by section 17 of this chapter is
 5 filed.

6 (b) A surviving spouse who receives the deduction provided by this
 7 section may not receive the deduction provided by section 13 of this
 8 chapter. However, he or she may receive any other deduction which he
 9 or she is entitled to by law.

10 (c) ~~An individual who has sold real property; a mobile home not
 11 assessed as real property; or a manufactured home not assessed as real
 12 property to another person under a contract that provides that the
 13 contract buyer is to pay the property taxes on the real property; mobile
 14 home; or manufactured home may not claim the deduction provided
 15 under this section against that real property; mobile home; or
 16 manufactured home.~~

17 SECTION 14. IC 6-1.1-12-17, AS AMENDED BY P.L.144-2008,
 18 SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 19 UPON PASSAGE]: Sec. 17. Except as provided in section 17.8 of this
 20 chapter and subject to section 45 of this chapter, a surviving spouse
 21 who desires to claim the deduction provided by section 16 of this
 22 chapter must file a statement with the auditor of the county in which
 23 the surviving spouse resides. With respect to real property, the
 24 statement must be filed during the year for which the surviving spouse
 25 wishes to obtain the deduction. With respect to a mobile home that is
 26 not assessed as real property or a manufactured home that is not
 27 assessed as real property, the statement must be filed during the twelve
 28 (12) months before March 31 of each year for which the individual
 29 wishes to obtain the deduction. The statement may be filed in person
 30 or by mail. If mailed, the mailing must be postmarked on or before the
 31 last day for filing. The statement shall contain:

- 32 (1) a sworn statement that the surviving spouse is entitled to the
 33 deduction; and
 34 (2) the record number and page where the **qualified installment**
 35 contract or memorandum of the **qualified installment** contract is
 36 recorded. ~~if the individual is buying the real property on a
 37 contract that provides that the individual is to pay property taxes
 38 on the real property.~~

39 In addition to the statement, the surviving spouse shall submit to the
 40 county auditor for the auditor's inspection a letter or certificate from the
 41 United States Department of Veterans Affairs establishing the service
 42 of the deceased spouse in the military or naval forces of the United

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1 States before November 12, 1918.

2 SECTION 15. IC 6-1.1-12-17.4, AS AMENDED BY P.L.1-2009,
 3 SECTION 32, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 4 UPON PASSAGE]: Sec. 17.4. (a) Except as provided in section 40.5
 5 of this chapter, a World War I veteran who is a resident of Indiana is
 6 entitled to have the sum of eighteen thousand seven hundred twenty
 7 dollars (\$18,720) deducted from the assessed valuation of the real
 8 property (including a mobile home that is assessed as real property),
 9 mobile home that is not assessed as real property, or manufactured
 10 home that is not assessed as real property the veteran owns or is buying
 11 under a **qualified installment** contract, ~~that requires the veteran to pay~~
 12 ~~property taxes on the real property, if the contract or a memorandum of~~
 13 ~~the contract is recorded in the county recorder's office, if:~~

14 (1) the real property, mobile home, or manufactured home is the
 15 veteran's principal residence;

16 (2) the assessed valuation of the real property, mobile home, or
 17 manufactured home does not exceed two hundred six thousand
 18 five hundred dollars (\$206,500);

19 (3) the veteran owns the real property, mobile home, or
 20 manufactured home for at least one (1) year before claiming the
 21 deduction; and

22 (4) the veteran:

23 (A) owns the real property, mobile home, or manufactured
 24 home; or

25 (B) is buying the real property, mobile home, or manufactured
 26 home under a **qualified installment** contract;

27 on the date the statement required by section 17.5 of this chapter
 28 is filed.

29 (b) An individual may not be denied the deduction provided by this
 30 section because the individual is absent from the individual's principal
 31 residence while in a nursing home or hospital.

32 (c) For purposes of this section, if real property, a mobile home, or
 33 a manufactured home is owned by a husband and wife as tenants by the
 34 entirety, only one (1) deduction may be allowed under this section.
 35 However, the deduction provided in this section applies if either spouse
 36 satisfies the requirements prescribed in subsection (a).

37 (d) ~~An individual who has sold real property; a mobile home not~~
 38 ~~assessed as real property; or a manufactured home not assessed as real~~
 39 ~~property to another person under a contract that provides that the~~
 40 ~~contract buyer is to pay the property taxes on the real property; mobile~~
 41 ~~home; or manufactured home may not claim the deduction provided~~
 42 ~~under this section with respect to that real property; mobile home; or~~

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~~manufactured home.~~

SECTION 16. IC 6-1.1-12-17.5, AS AMENDED BY P.L.144-2008, SECTION 23, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 17.5. (a) Except as provided in section 17.8 of this chapter and subject to section 45 of this chapter, a veteran who desires to claim the deduction provided in section 17.4 of this chapter must file a sworn statement, on forms prescribed by the department of local government finance, with the auditor of the county in which the real property, mobile home, or manufactured home is assessed. With respect to real property, the veteran must file the statement during the year for which the veteran wishes to obtain the deduction. With respect to a mobile home that is not assessed as real property or a manufactured home that is not assessed as real property, the statement must be filed during the twelve (12) months before March 31 of each year for which the individual wishes to obtain the deduction. The statement may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing.

(b) The statement required under this section shall be in affidavit form or require verification under penalties of perjury. The statement shall be filed in duplicate if the veteran has, or is buying under a **qualified installment** contract, real property in more than one (1) county or in more than one (1) taxing district in the same county. The statement shall contain:

- (1) a description and the assessed value of the real property, mobile home, or manufactured home;
- (2) the veteran's full name and complete residence address;
- (3) the record number and page where the **qualified installment** contract or memorandum of the **qualified installment** contract is recorded; ~~if the individual is buying the real property, mobile home, or manufactured home on a contract that provides that the individual is to pay property taxes on the real property, mobile home, or manufactured home;~~ and
- (4) any additional information which the department of local government finance may require.

SECTION 17. IC 6-1.1-12-17.8, AS AMENDED BY P.L.182-2009(ss), SECTION 109, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 17.8. (a) An individual who receives a deduction provided under section 1, 9, 11, 13, 14, 16, 17.4, or 37 of this chapter in a particular year and who remains eligible for the deduction in the following year is not required to file a statement to apply for the deduction in the following year. However, for purposes of a deduction under section 37 of this chapter,

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1 the county auditor may, in the county auditor's discretion, terminate the
 2 deduction for assessment dates after January 15, 2012, if the individual
 3 does not comply with the requirement in IC 6-1.1-22-8.1(b)(9), as
 4 determined by the county auditor, before January 1, 2013. Before the
 5 county auditor terminates the deduction because the taxpayer claiming
 6 the deduction did not comply with the requirement in
 7 IC 6-1.1-22-8.1(b)(9) before January 1, 2013, the county auditor shall
 8 mail notice of the proposed termination of the deduction to:

- 9 (1) the last known address of each person liable for any property
 10 taxes or special assessment, as shown on the tax duplicate or
 11 special assessment records; or
 12 (2) the last known address of the most recent owner shown in the
 13 transfer book.

14 (b) An individual who receives a deduction provided under section
 15 1, 9, 11, 13, 14, 16, or 17.4 of this chapter in a particular year and who
 16 becomes ineligible for the deduction in the following year shall notify
 17 the auditor of the county in which the real property, mobile home, or
 18 manufactured home for which the individual claims the deduction is
 19 located of the individual's ineligibility in the year in which the
 20 individual becomes ineligible. An individual who becomes ineligible
 21 for a deduction under section 37 of this chapter shall notify the county
 22 auditor of the county in which the property is located in conformity
 23 with section 37 of this chapter.

24 (c) The auditor of each county shall, in a particular year, apply a
 25 deduction provided under section 1, 9, 11, 13, 14, 16, 17.4, or 37 of this
 26 chapter to each individual who received the deduction in the preceding
 27 year unless the auditor determines that the individual is no longer
 28 eligible for the deduction.

29 (d) An individual who receives a deduction provided under section
 30 1, 9, 11, 13, 14, 16, 17.4, or 37 of this chapter for property that is
 31 jointly held with another owner in a particular year and remains eligible
 32 for the deduction in the following year is not required to file a
 33 statement to reapply for the deduction following the removal of the
 34 joint owner if:

- 35 (1) the individual is the sole owner of the property following the
 36 death of the individual's spouse;
 37 (2) the individual is the sole owner of the property following the
 38 death of a joint owner who was not the individual's spouse; or
 39 (3) the individual is awarded sole ownership of the property in a
 40 divorce decree.

41 However, for purposes of a deduction under section 37 of this chapter,
 42 if the removal of the joint owner occurs before the date that a notice

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1 described in IC 6-1.1-22-8.1(b)(9) is sent, the county auditor may, in
 2 the county auditor's discretion, terminate the deduction for assessment
 3 dates after January 15, 2012, if the individual does not comply with the
 4 requirement in IC 6-1.1-22-8.1(b)(9), as determined by the county
 5 auditor, before January 1, 2013. Before the county auditor terminates
 6 the deduction because the taxpayer claiming the deduction did not
 7 comply with the requirement in IC 6-1.1-22-8.1(b)(9) before January
 8 1, 2013, the county auditor shall mail notice of the proposed
 9 termination of the deduction to the last known address of each person
 10 liable for any property taxes or special assessment, as shown on the tax
 11 duplicate or special assessment records or the last known address of the
 12 most recent owner shown in the transfer book.

13 (e) A trust entitled to a deduction under section 9, 11, 13, 14, 16,
 14 17.4, or 37 of this chapter for real property owned by the trust and
 15 occupied by an individual in accordance with section 17.9 of this
 16 chapter is not required to file a statement to apply for the deduction, if:

17 (1) the individual who occupies the real property receives a
 18 deduction provided under section 9, 11, 13, 14, 16, 17.4, or 37 of
 19 this chapter in a particular year; and

20 (2) the trust remains eligible for the deduction in the following
 21 year.

22 However, for purposes of a deduction under section 37 of this chapter,
 23 the individuals that qualify the trust for a deduction must comply with
 24 the requirement in IC 6-1.1-22-8.1(b)(9) before January 1, 2013.

25 (f) ~~A~~ **An eligible** cooperative housing corporation ~~(as defined in 26~~
 26 ~~U.S.C. 216)~~ that is entitled to a deduction under section 37 of this
 27 chapter in the immediately preceding calendar year for a homestead (as
 28 defined in section 37 of this chapter) is not required to file a statement
 29 to apply for the deduction for the current calendar year if the **eligible**
 30 cooperative housing corporation remains eligible for the deduction for
 31 the current calendar year. However, the county auditor may, in the
 32 county auditor's discretion, terminate the deduction for assessment
 33 dates after January 15, 2012, if the individual does not comply with the
 34 requirement in IC 6-1.1-22-8.1(b)(9), as determined by the county
 35 auditor, before January 1, 2013. Before the county auditor terminates
 36 a deduction because the taxpayer claiming the deduction did not
 37 comply with the requirement in IC 6-1.1-22-8.1(b)(9) before January
 38 1, 2013, the county auditor shall mail notice of the proposed
 39 termination of the deduction to:

40 (1) the last known address of each person liable for any property
 41 taxes or special assessment, as shown on the tax duplicate or
 42 special assessment records; or

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- 1 (2) the last known address of the most recent owner shown in the
 2 transfer book.
- 3 (g) An individual who:
- 4 (1) was eligible for a homestead credit under IC 6-1.1-20.9
 5 (repealed) for property taxes imposed for the March 1, 2007, or
 6 January 15, 2008, assessment date; or
- 7 (2) would have been eligible for a homestead credit under
 8 IC 6-1.1-20.9 (repealed) for property taxes imposed for the March
 9 1, 2008, or January 15, 2009, assessment date if IC 6-1.1-20.9 had
 10 not been repealed;
- 11 is not required to file a statement to apply for a deduction under section
 12 37 of this chapter if the individual remains eligible for the deduction in
 13 the current year. An individual who filed for a homestead credit under
 14 IC 6-1.1-20.9 (repealed) for an assessment date after March 1, 2007 (if
 15 the property is real property), or after January 1, 2008 (if the property
 16 is personal property), shall be treated as an individual who has filed for
 17 a deduction under section 37 of this chapter. However, the county
 18 auditor may, in the county auditor's discretion, terminate the deduction
 19 for assessment dates after January 15, 2012, if the individual does not
 20 comply with the requirement in IC 6-1.1-22-8.1(b)(9), as determined
 21 by the county auditor, before January 1, 2013. Before the county
 22 auditor terminates the deduction because the taxpayer claiming the
 23 deduction did not comply with the requirement in IC 6-1.1-22-8.1(b)(9)
 24 before January 1, 2013, the county auditor shall mail notice of the
 25 proposed termination of the deduction to the last known address of
 26 each person liable for any property taxes or special assessment, as
 27 shown on the tax duplicate or special assessment records, or to the last
 28 known address of the most recent owner shown in the transfer book.
- 29 (h) If a county auditor terminates a deduction because the taxpayer
 30 claiming the deduction did not comply with the requirement in
 31 IC 6-1.1-22-8.1(b)(9) before January 1, 2013, the county auditor shall
 32 reinstate the deduction if the taxpayer provides proof that the taxpayer
 33 is eligible for the deduction and is not claiming the deduction for any
 34 other property.
- 35 (i) A taxpayer described in section ~~37(k)~~ **37(j)** of this chapter is not
 36 required to file a statement to apply for the deduction provided by
 37 section 37 of this chapter for a calendar year beginning after December
 38 31, 2008, if the property owned by the taxpayer remains eligible for the
 39 deduction for that calendar year. However, the county auditor may
 40 terminate the deduction for assessment dates after January 15, 2012, if
 41 the individual residing on the property owned by the taxpayer does not
 42 comply with the requirement in IC 6-1.1-22-8.1(b)(9), as determined

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1 by the county auditor, before January 1, 2013. Before the county
 2 auditor terminates a deduction because the individual residing on the
 3 property did not comply with the requirement in IC 6-1.1-22-8.1(b)(9)
 4 before January 1, 2013, the county auditor shall mail notice of the
 5 proposed termination of the deduction to:

6 (1) the last known address of each person liable for any property
 7 taxes or special assessment, as shown on the tax duplicate or
 8 special assessment records; or

9 (2) the last known address of the most recent owner shown in the
 10 transfer book.

11 SECTION 18. IC 6-1.1-12-18, AS AMENDED BY P.L.144-2008,
 12 SECTION 25, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 13 UPON PASSAGE]: Sec. 18. (a) If the assessed value of residential real
 14 property described in subsection (d) is increased because it has been
 15 rehabilitated, the owner may have deducted from the assessed value of
 16 the property an amount not to exceed the lesser of:

17 (1) the total increase in assessed value resulting from the
 18 rehabilitation; or

19 (2) eighteen thousand seven hundred twenty dollars (\$18,720) per
 20 rehabilitated dwelling unit.

21 The owner is entitled to this deduction annually for a five (5) year
 22 period.

23 (b) For purposes of this section, the term "rehabilitation" means
 24 significant repairs, replacements, or improvements to an existing
 25 structure which are intended to increase the livability, utility, safety, or
 26 value of the property under rules adopted by the department of local
 27 government finance.

28 (c) For the purposes of this section, the term "owner" or "property
 29 owner" includes any person who has the legal obligation, or has
 30 otherwise assumed the obligation, to pay the real property taxes on the
 31 rehabilitated property.

32 (d) The deduction provided by this section applies only:

33 (1) for the rehabilitation of residential real property which is
 34 located within this state and which is described in one (1) of the
 35 following classifications:

36 (A) A single family dwelling if before rehabilitation the
 37 assessed value (excluding any exemptions or deductions) of
 38 the improvements does not exceed thirty-seven thousand four
 39 hundred forty dollars (\$37,440).

40 (B) A two (2) family dwelling if before rehabilitation the
 41 assessed value (excluding exemptions or deductions) of the
 42 improvements does not exceed forty-nine thousand nine

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1 hundred twenty dollars (\$49,920).
 2 (C) A dwelling with more than two (2) family units if before
 3 rehabilitation the assessed value (excluding any exemptions or
 4 deductions) of the improvements does not exceed eighteen
 5 thousand seven hundred twenty dollars (\$18,720) per dwelling
 6 unit; and
 7 (2) if the property owner:
 8 (A) owns the residential real property; or
 9 (B) is buying the residential real property under a **qualified**
 10 **installment** contract;
 11 on the assessment date of the year in which an application must
 12 be filed under section 20 of this chapter.
 13 SECTION 19. IC 6-1.1-12-22, AS AMENDED BY P.L.144-2008,
 14 SECTION 27, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 15 UPON PASSAGE]: Sec. 22. (a) If the assessed value of property is
 16 increased because it has been rehabilitated and the owner has paid at
 17 least ten thousand dollars (\$10,000) for the rehabilitation, the owner is
 18 entitled to have deducted from the assessed value of the property an
 19 amount equal to fifty percent (50%) of the increase in assessed value
 20 resulting from the rehabilitation. The owner is entitled to this deduction
 21 annually for a five (5) year period. However, the maximum deduction
 22 which a property owner may receive under this section for a particular
 23 year is:
 24 (1) one hundred twenty-four thousand eight hundred dollars
 25 (\$124,800) for a single family dwelling unit; or
 26 (2) three hundred thousand dollars (\$300,000) for any other type
 27 of property.
 28 (b) For purposes of this section, the term "property" means a
 29 building or structure which was erected at least fifty (50) years before
 30 the date of application for the deduction provided by this section. The
 31 term "property" does not include land.
 32 (c) For purposes of this section, the term "rehabilitation" means
 33 significant repairs, replacements, or improvements to an existing
 34 structure that are intended to increase the livability, utility, safety, or
 35 value of the property under rules adopted by the department of local
 36 government finance.
 37 (d) The deduction provided by this section applies only if the
 38 property owner:
 39 (1) owns the property; or
 40 (2) is buying the property under a **qualified installment** contract;
 41 on the assessment date of the year in which an application must be filed
 42 under section 24 of this chapter.

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1 SECTION 20. IC 6-1.1-12-27.1, AS AMENDED BY P.L.113-2010,
 2 SECTION 26, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 3 UPON PASSAGE]: Sec. 27.1. Except as provided in sections 36 and
 4 44 of this chapter and subject to section 45 of this chapter, a person
 5 who desires to claim the deduction provided by section 26 of this
 6 chapter must file a certified statement in duplicate, on forms prescribed
 7 by the department of local government finance, with the auditor of the
 8 county in which the real property or mobile home is subject to
 9 assessment. With respect to real property, the person must file the
 10 statement during the year for which the person desires to obtain the
 11 deduction. Except as provided in sections 36 and 44 of this chapter and
 12 subject to section 45 of this chapter, with respect to a mobile home
 13 which is not assessed as real property, the person must file the
 14 statement during the twelve (12) months before March 31 of each year
 15 for which the person desires to obtain the deduction. The person must:

- 16 (1) own the real property, mobile home, or manufactured home;
 17 or
 18 (2) be buying the real property, mobile home, or manufactured
 19 home under a **qualified installment** contract;

20 on the date the statement is filed under this section. The statement may
 21 be filed in person or by mail. If mailed, the mailing must be postmarked
 22 on or before the last day for filing. On verification of the statement by
 23 the assessor of the township in which the real property or mobile home
 24 is subject to assessment, or the county assessor if there is no township
 25 assessor for the township, the county auditor shall allow the deduction.

26 SECTION 21. IC 6-1.1-12-30, AS AMENDED BY P.L.1-2009,
 27 SECTION 36, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 28 UPON PASSAGE]: Sec. 30. Except as provided in sections 36 and 44
 29 of this chapter and subject to section 45 of this chapter, a person who
 30 desires to claim the deduction provided by section 29 of this chapter
 31 must file a certified statement in duplicate, on forms prescribed by the
 32 department of local government finance, with the auditor of the county
 33 in which the real property or mobile home is subject to assessment.
 34 With respect to real property, the person must file the statement during
 35 the year for which the person desires to obtain the deduction. With
 36 respect to a mobile home which is not assessed as real property, the
 37 person must file the statement during the twelve (12) months before
 38 March 31 of each year for which the person desires to obtain the
 39 deduction. The person must:

- 40 (1) own the real property, mobile home, or manufactured home;
 41 or
 42 (2) be buying the real property, mobile home, or manufactured

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1 home under a **qualified installment** contract;
 2 on the date the statement is filed under this section. On verification of
 3 the statement by the assessor of the township in which the real property
 4 or mobile home is subject to assessment, or the county assessor if there
 5 is no township assessor for the township, the county auditor shall allow
 6 the deduction.

7 SECTION 22. IC 6-1.1-12-31, AS AMENDED BY P.L.144-2008,
 8 SECTION 31, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 9 UPON PASSAGE]: Sec. 31. (a) For purposes of this section, "coal
 10 conversion system" means tangible property directly used to convert
 11 coal into a gaseous or liquid fuel or char. This definition includes coal
 12 liquification, gasification, pyrolysis, and a fluid bed combustion system
 13 designed for pollution control.

14 (b) For each calendar year which begins after December 31, 1979,
 15 and before January 1, 1988, the owner of a coal conversion system
 16 which is used to process coal is entitled to a deduction from the
 17 assessed value of the system. The amount of the deduction for a
 18 particular calendar year equals the product of:

- 19 (1) ninety-five percent (95%) of the assessed value of the system;
 20 multiplied by
 21 (2) a fraction.

22 The numerator of the fraction is the amount of Indiana coal converted
 23 by the system during the immediately preceding calendar year and the
 24 denominator of the fraction is the total amount of coal converted by the
 25 system during the immediately preceding calendar year.

26 (c) The deduction provided by this section applies only if the
 27 property owner:

- 28 (1) owns the property; or
 29 (2) is buying the property under a **qualified installment** contract;

30 on the assessment date for which the deduction applies.

31 SECTION 23. IC 6-1.1-12-33, AS AMENDED BY P.L.144-2008,
 32 SECTION 32, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 33 UPON PASSAGE]: Sec. 33. (a) For purposes of this section
 34 "hydroelectric power device" means a device which is installed after
 35 December 31, 1981, and is designed to utilize the kinetic power of
 36 moving water to provide mechanical energy or to produce electricity.

37 (b) The owner of real property, or a mobile home that is not assessed
 38 as real property, that is equipped with a hydroelectric power device is
 39 annually entitled to a property tax deduction. The amount of the
 40 deduction equals the remainder of:

- 41 (1) the assessed value of the real property or mobile home with
 42 the hydroelectric power device; minus

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1 (2) the assessed value of the real property or mobile home without
 2 the hydroelectric power device.
 3 (c) The deduction provided by this section applies only if the
 4 property owner:
 5 (1) owns the real property or mobile home; or
 6 (2) is buying the real property or mobile home under a **qualified**
 7 **installment** contract;
 8 on the date the statement is filed under section 35.5 of this chapter.
 9 SECTION 24. IC 6-1.1-12-34, AS AMENDED BY P.L.144-2008,
 10 SECTION 33, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 11 UPON PASSAGE]: Sec. 34. (a) For purposes of this section,
 12 "geothermal energy heating or cooling device" means a device that is
 13 installed after December 31, 1981, and is designed to utilize the natural
 14 heat from the earth to provide hot water, produce electricity, or
 15 generate heating or cooling.
 16 (b) The owner of real property, or a mobile home that is not assessed
 17 as real property, that is equipped with a geothermal energy heating or
 18 cooling device is annually entitled to a property tax deduction. The
 19 amount of the deduction equals the remainder of:
 20 (1) the assessed value of the real property or mobile home with
 21 the geothermal heating or cooling device; minus
 22 (2) the assessed value of the real property or mobile home without
 23 the geothermal heating or cooling device.
 24 (c) The deduction provided by this section applies only if the
 25 property owner:
 26 (1) owns the real property or mobile home; or
 27 (2) is buying the real property or mobile home under a **qualified**
 28 **installment** contract;
 29 on the date the statement is filed under section 35.5 of this chapter.
 30 SECTION 25. IC 6-1.1-12-34.5, AS AMENDED BY P.L.144-2008,
 31 SECTION 34, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 32 UPON PASSAGE]: Sec. 34.5. (a) As used in this section, "coal
 33 combustion product" has the meaning set forth in IC 6-1.1-44-1.
 34 (b) As used in this section, "qualified building" means a building
 35 designed and constructed to systematically use qualified materials
 36 throughout the building.
 37 (c) For purposes of this section, building materials are "qualified
 38 materials" if at least sixty percent (60%) of the materials' dry weight
 39 consists of coal combustion products.
 40 (d) The owner of a qualified building, as determined by the center
 41 for coal technology research, is entitled to a property tax deduction for
 42 not more than three (3) years. The amount of the deduction equals the

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- 1 product of:
- 2 (1) the assessed value of the qualified building; multiplied by
- 3 (2) five percent (5%).
- 4 (e) The deduction provided by this section applies only if the
- 5 building owner:
- 6 (1) owns the building; or
- 7 (2) is buying the building under a **qualified installment** contract;
- 8 on the assessment date for which the deduction applies.
- 9 SECTION 26. IC 6-1.1-12-37, AS AMENDED BY P.L.172-2011,
- 10 SECTION 28, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 11 UPON PASSAGE]: Sec. 37. (a) The following definitions apply
- 12 throughout this section:
- 13 (1) "Dwelling" means any of the following:
- 14 (A) Residential real property improvements that an individual
- 15 uses as the individual's residence, including a house or garage.
- 16 (B) A mobile home that is not assessed as real property that an
- 17 individual uses as the individual's residence.
- 18 (C) A manufactured home that is not assessed as real property
- 19 that an individual uses as the individual's residence.
- 20 (2) "Homestead" means an individual's principal place of
- 21 residence:
- 22 (A) that is located in Indiana;
- 23 (B) that:
- 24 (i) the individual owns;
- 25 (ii) the individual is buying under a **qualified installment**
- 26 **contract; recorded in the county recorder's office; that**
- 27 **provides that the individual is to pay the property taxes on**
- 28 **the residence;**
- 29 (iii) the individual is entitled to occupy as a **qualified**
- 30 **tenant-stockholder (as defined in 26 U.S.C. 216) of a an**
- 31 **eligible cooperative housing corporation; (as defined in 26**
- 32 **U.S.C. 216); or**
- 33 (iv) is a residence described in section 17.9 of this chapter
- 34 that is owned by a trust if the individual is an individual
- 35 described in section 17.9 of this chapter; and
- 36 (C) that consists of:
- 37 (i) a dwelling and the real estate, not exceeding one (1) acre,
- 38 that immediately surrounds that dwelling, **if the dwelling is**
- 39 **not owned by an eligible cooperative housing**
- 40 **corporation; and**
- 41 (ii) **a dwelling and a proportionate share of the common**
- 42 **areas used for residential purposes by qualified**

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1 **tenant-stockholders described in clause (B)(iii), not to**
2 **exceed, in the aggregate, one (1) acre, if the dwelling is**
3 **owned by an eligible cooperative housing corporation.**

4 Except as provided in subsection ~~(k)~~, the term **(j)**, "homestead"
5 does not include property owned by a corporation, partnership,
6 limited liability company, or other entity not described in this
7 subdivision.

8 (b) Each year a homestead is eligible for a standard deduction from
9 the assessed value of the homestead for an assessment date. The
10 deduction provided by this section applies to property taxes first due
11 and payable for an assessment date only if an individual has an interest
12 in the homestead described in subsection (a)(2)(B) on:

- 13 (1) the assessment date; or
- 14 (2) any date in the same year after an assessment date that a
15 statement is filed under subsection ~~(e)~~ **(d)** or section 44 of this
16 chapter, if the property consists of real property.

17 Subject to subsection (c), the auditor of the county shall record and
18 make the deduction for the individual or entity qualifying for the
19 deduction.

20 (c) Except as provided in section 40.5 of this chapter, the total
21 amount of the deduction that a person may receive under this section
22 for a particular year is the lesser of:

- 23 (1) sixty percent (60%) of the assessed value of the real property,
24 mobile home not assessed as real property, or manufactured home
25 not assessed as real property; or
- 26 (2) forty-five thousand dollars (\$45,000).

27 ~~(d) A person who has sold real property; a mobile home not assessed~~
28 ~~as real property; or a manufactured home not assessed as real property~~
29 ~~to another person under a contract that provides that the contract buyer~~
30 ~~is to pay the property taxes on the real property; mobile home; or~~
31 ~~manufactured home may not claim the deduction provided under this~~
32 ~~section with respect to that real property; mobile home; or~~
33 ~~manufactured home.~~

34 ~~(e)~~ **(d)** Except as provided in sections 17.8 and 44 of this chapter
35 and subject to section 45 of this chapter, an individual who desires to
36 claim the deduction provided by this section must file a certified
37 statement in duplicate, on forms prescribed by the department of local
38 government finance, with the auditor of the county in which the
39 homestead is located. The statement must include:

- 40 (1) the parcel number or key number of the property and the name
41 of the city, town, or township in which the property is located;
- 42 (2) the name of any other location in which the applicant or the

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1 applicant's spouse owns, is buying, or has a beneficial interest in
 2 residential real property;
 3 (3) the names of:
 4 (A) the applicant and the applicant's spouse (if any):
 5 (i) as the names appear in the records of the United States
 6 Social Security Administration for the purposes of the
 7 issuance of a Social Security card and Social Security
 8 number; or
 9 (ii) that they use as their legal names when they sign their
 10 names on legal documents;
 11 if the applicant is an individual; or
 12 (B) each individual who qualifies property as a homestead
 13 under subsection (a)(2)(B) and the individual's spouse (if any):
 14 (i) as the names appear in the records of the United States
 15 Social Security Administration for the purposes of the
 16 issuance of a Social Security card and Social Security
 17 number; or
 18 (ii) that they use as their legal names when they sign their
 19 names on legal documents;
 20 if the applicant is not an individual; and
 21 (4) either:
 22 (A) the last five (5) digits of the applicant's Social Security
 23 number and the last five (5) digits of the Social Security
 24 number of the applicant's spouse (if any); or
 25 (B) if the applicant or the applicant's spouse (if any) do not
 26 have a Social Security number, any of the following for that
 27 individual:
 28 (i) The last five (5) digits of the individual's driver's license
 29 number.
 30 (ii) The last five (5) digits of the individual's state
 31 identification card number.
 32 (iii) If the individual does not have a driver's license or a
 33 state identification card, the last five (5) digits of a control
 34 number that is on a document issued to the individual by the
 35 federal government and determined by the department of
 36 local government finance to be acceptable.
 37 If a form or statement provided to the county auditor under this section,
 38 IC 6-1.1-22-8.1, or IC 6-1.1-22.5-12 includes the telephone number or
 39 part or all of the Social Security number of a party or other number
 40 described in subdivision (4)(B) of a party, the telephone number and
 41 the Social Security number or other number described in subdivision
 42 (4)(B) included are confidential. The statement may be filed in person

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1 or by mail. If the statement is mailed, the mailing must be postmarked
 2 on or before the last day for filing. The statement applies for that first
 3 year and any succeeding year for which the deduction is allowed. With
 4 respect to real property, the statement must be completed and dated in
 5 the calendar year for which the person desires to obtain the deduction
 6 and filed with the county auditor on or before January 5 of the
 7 immediately succeeding calendar year. With respect to a mobile home
 8 that is not assessed as real property, the person must file the statement
 9 during the twelve (12) months before March 31 of the year for which
 10 the person desires to obtain the deduction.

11 ~~(f)~~ **(e)** If an individual who is receiving the deduction provided by
 12 this section or who otherwise qualifies property for a deduction under
 13 this section:

14 (1) changes the use of the individual's property so that part or all
 15 of the property no longer qualifies for the deduction under this
 16 section; or

17 (2) is no longer eligible for a deduction under this section on
 18 another parcel of property because:

19 (A) the individual would otherwise receive the benefit of more
 20 than one (1) deduction under this chapter; or

21 (B) the individual maintains the individual's principal place of
 22 residence with another individual who receives a deduction
 23 under this section;

24 the individual must file a certified statement with the auditor of the
 25 county, notifying the auditor of the change of use, not more than sixty
 26 (60) days after the date of that change. An individual who fails to file
 27 the statement required by this subsection is liable for any additional
 28 taxes that would have been due on the property if the individual had
 29 filed the statement as required by this subsection plus a civil penalty
 30 equal to ten percent (10%) of the additional taxes due. The civil penalty
 31 imposed under this subsection is in addition to any interest and
 32 penalties for a delinquent payment that might otherwise be due. One
 33 percent (1%) of the total civil penalty collected under this subsection
 34 shall be transferred by the county to the department of local
 35 government finance for use by the department in establishing and
 36 maintaining the homestead property data base under subsection ~~(i)~~ **(h)**
 37 and, to the extent there is money remaining, for any other purposes of
 38 the department. This amount becomes part of the property tax liability
 39 for purposes of this article.

40 ~~(g)~~ **(f)** The department of local government finance shall adopt rules
 41 or guidelines concerning the application for a deduction under this
 42 section.

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1 ~~(h)~~ **(g)** This subsection does not apply to property in the first year
 2 for which a deduction is claimed under this section if the sole reason
 3 that a deduction is claimed on other property is that the individual or
 4 married couple maintained a principal residence at the other property
 5 on March 1 in the same year in which an application for a deduction is
 6 filed under this section or, if the application is for a homestead that is
 7 assessed as personal property, on March 1 in the immediately
 8 preceding year and the individual or married couple is moving the
 9 individual's or married couple's principal residence to the property that
 10 is the subject of the application. Except as provided in subsection ~~(n)~~;
 11 **(m)**, the county auditor may not grant an individual or a married couple
 12 a deduction under this section if:

13 (1) the individual or married couple, for the same year, claims the
 14 deduction on two (2) or more different applications for the
 15 deduction; and

16 (2) the applications claim the deduction for different property.

17 ~~(i)~~ **(h)** The department of local government finance shall provide
 18 secure access to county auditors to a homestead property data base that
 19 includes access to the homestead owner's name and the numbers
 20 required from the homestead owner under subsection ~~(e)(4)~~ **(d)(4)** for
 21 the sole purpose of verifying whether an owner is wrongly claiming a
 22 deduction under this chapter or a credit under IC 6-1.1-20.4,
 23 IC 6-1.1-20.6, or IC 6-3.5.

24 ~~(j)~~ **(i)** The department of local government finance shall work with
 25 county auditors to develop procedures to determine whether a property
 26 owner that is claiming a standard deduction or homestead credit is not
 27 eligible for the standard deduction or homestead credit because the
 28 property owner's principal place of residence is outside Indiana.

29 ~~(k)~~ **(j)** As used in this section, "homestead" includes property that
 30 satisfies each of the following requirements:

31 (1) The property is located in Indiana and consists of a dwelling
 32 and the real estate, not exceeding one (1) acre, that immediately
 33 surrounds that dwelling.

34 (2) The property is the principal place of residence of an
 35 individual.

36 (3) The property is owned by an entity that is not described in
 37 subsection (a)(2)(B).

38 (4) The individual residing on the property is a shareholder,
 39 partner, or member of the entity that owns the property.

40 (5) The property was eligible for the standard deduction under
 41 this section on March 1, 2009.

42 ~~(l)~~ **(k)** If a county auditor terminates a deduction for property

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1 described in subsection ~~(k)~~ (j) with respect to property taxes that are:

- 2 (1) imposed for an assessment date in 2009; and
 3 (2) first due and payable in 2010;

4 on the grounds that the property is not owned by an entity described in
 5 subsection (a)(2)(B), the county auditor shall reinstate the deduction if
 6 the taxpayer provides proof that the property is eligible for the
 7 deduction in accordance with subsection ~~(k)~~ (j) and that the individual
 8 residing on the property is not claiming the deduction for any other
 9 property.

10 ~~(m)~~ (l) For assessments assessment dates after 2009, the term
 11 "homestead" includes:

- 12 (1) a deck or patio;
 13 (2) a gazebo; or
 14 (3) another residential yard structure, as defined in rules adopted
 15 by the department of local government finance (other than a
 16 swimming pool);

17 that is assessed as real property and attached to the dwelling.

18 ~~(n)~~ (m) A county auditor shall grant an individual a deduction under
 19 this section regardless of whether the individual and the individual's
 20 spouse claim a deduction on two (2) different applications and each
 21 application claims a deduction for different property if the property
 22 owned by the individual's spouse is located outside Indiana and the
 23 individual files an affidavit with the county auditor containing the
 24 following information:

- 25 (1) The names of the county and state in which the individual's
 26 spouse claims a deduction substantially similar to the deduction
 27 allowed by this section.
 28 (2) A statement made under penalty of perjury that the following
 29 are true:

- 30 (A) That the individual and the individual's spouse maintain
 31 separate principal places of residence.
 32 (B) That neither the individual nor the individual's spouse has
 33 an ownership interest in the other's principal place of
 34 residence.
 35 (C) That neither the individual nor the individual's spouse has,
 36 for that same year, claimed a standard or substantially similar
 37 deduction for any property other than the property maintained
 38 as a principal place of residence by the respective individuals.

39 A county auditor may require an individual or an individual's spouse to
 40 provide evidence of the accuracy of the information contained in an
 41 affidavit submitted under this subsection. The evidence required of the
 42 individual or the individual's spouse may include state income tax

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1 returns, excise tax payment information, property tax payment
 2 information, driver license information, and voter registration
 3 information.

4 ~~(c)~~ (n) If:

5 (1) a property owner files a statement under subsection ~~(e)~~ (d) to
 6 claim the deduction provided by this section for a particular
 7 property; and

8 (2) the county auditor receiving the filed statement determines
 9 that the property owner's property is not eligible for the deduction;
 10 the county auditor shall inform the property owner of the county
 11 auditor's determination in writing.

12 SECTION 27. IC 6-1.1-12-38, AS AMENDED BY P.L.1-2009,
 13 SECTION 39, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 14 UPON PASSAGE]: Sec. 38. (a) A person is entitled to a deduction
 15 from the assessed value of the person's property in an amount equal to
 16 the difference between:

17 (1) the assessed value of the person's property, including the
 18 assessed value of the improvements made to comply with the
 19 fertilizer storage rules adopted by the state chemist under
 20 IC 15-16-2-44 and the pesticide storage rules adopted by the state
 21 chemist under IC 15-16-4-52; minus

22 (2) the assessed value of the person's property, excluding the
 23 assessed value of the improvements made to comply with the
 24 fertilizer storage rules adopted by the state chemist under
 25 IC 15-16-2-44 and the pesticide storage rules adopted by the state
 26 chemist under IC 15-16-4-52.

27 (b) To obtain the deduction under this section, a person must file a
 28 certified statement in duplicate, on forms prescribed by the department
 29 of local government finance, with the auditor of the county in which the
 30 property is subject to assessment. In addition to the certified statement,
 31 the person must file a certification by the state chemist listing the
 32 improvements that were made to comply with the fertilizer storage
 33 rules adopted under IC 15-16-2-44 and the pesticide storage rules
 34 adopted by the state chemist under IC 15-16-4-52. Subject to section
 35 45 of this chapter, the statement and certification must be filed during
 36 the year preceding the year the deduction will first be applied. Upon the
 37 verification of the statement and certification by the assessor of the
 38 township in which the property is subject to assessment, or the county
 39 assessor if there is no township assessor for the township, the county
 40 auditor shall allow the deduction.

41 (c) The deduction provided by this section applies only if the
 42 person:

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1 (1) owns the property; or
 2 (2) is buying the property under a **qualified installment** contract;
 3 on the assessment date for which the deduction applies.
 4 SECTION 28. IC 6-1.1-12-39 IS AMENDED TO READ AS
 5 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 39. (a) **To be a**
 6 **qualified installment contract, an agreement must meet the**
 7 **following criteria:**
 8 (1) **The agreement must be an enforceable contract that**
 9 **obligates the owner of:**
 10 (A) **real property;**
 11 (B) **a mobile home that is not assessed as real property; or**
 12 (C) **a manufactured home that is not assessed as real**
 13 **property;**
 14 **to transfer legal title to and ownership of the real property,**
 15 **mobile home, or manufactured home to a buyer or buyers**
 16 **named in the agreement upon the buyer's payment of the total**
 17 **contract price in one (1) or more installments and in**
 18 **fulfillment of any other conditions or terms that are part of**
 19 **the agreement.**
 20 (2) **Except as provided in subsection (b), the agreement must**
 21 **provide that the buyer is to pay property taxes on the real**
 22 **property, mobile home, or manufactured home that is the**
 23 **subject of the agreement.**
 24 (3) **The agreement or a memorandum of the agreement must**
 25 **be recorded in the county recorder's office for the county**
 26 **where the property is located.**
 27 (4) **A contract for the sale of real property that is entered into**
 28 **after March 31, 2012, must specify the total contract price.**
 29 ~~(a)~~ (b) **A person who is:**
 30 (1) **purchasing property under a contract that otherwise**
 31 **qualifies as a qualified installment contract except that the**
 32 **contract does not require the buyer to pay property taxes on the**
 33 **property; and**
 34 (2) **required to pay property taxes under IC 6-1.1-10-41;**
 35 **is eligible for a deduction granted by this chapter to the same extent as**
 36 **a person who is buying property under a qualified installment contract**
 37 **that provides the contract buyer is to pay property taxes on the**
 38 **property.**
 39 ~~(b)~~ (c) **To obtain the a deduction under subsection (b), with the**
 40 **application the applicant must provide:**
 41 (1) **the same information concerning the qualified installment**
 42 **contract that is required for qualified installment contracts that**

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1 require the buyer to pay property taxes; and
 2 (2) information that indicates that IC 6-1.1-10-41 applies to the
 3 property.

4 **(d) An applicant that applies for a deduction under this chapter**
 5 **after March 31, 2012, for property that is being sold under a**
 6 **qualified installment contract does not qualify for a deduction**
 7 **under this article unless the applicant includes in the applicant's**
 8 **application the record number and page where the qualified**
 9 **installment contract or memorandum of the qualified installment**
 10 **contract is recorded.**

11 **(e) A person that has sold real property, a mobile home not**
 12 **assessed as real property, or a manufactured home not assessed as**
 13 **real property to another person under a qualified installment**
 14 **contract may not claim the deduction provided under this section**
 15 **with respect to that real property, mobile home, or manufactured**
 16 **home.**

17 SECTION 29. IC 6-1.1-12-45, AS ADDED BY P.L.144-2008,
 18 SECTION 38, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 19 UPON PASSAGE]: Sec. 45. (a) Subject to subsections (b) and (c), a
 20 deduction under this chapter applies for an assessment date and for the
 21 property taxes due and payable based on the assessment for that
 22 assessment date, regardless of whether, with respect to the real property
 23 or mobile home or manufactured home not assessed as real property:

- 24 (1) the title is conveyed one (1) or more times; or
 25 (2) one (1) or more **qualified installment** contracts to purchase
 26 are entered into;

27 after that assessment date and on or before the next succeeding
 28 assessment date.

29 (b) Subsection (a) applies:

- 30 (1) only if the title holder or the **qualified installment** contract
 31 buyer on that next succeeding assessment date is eligible for the
 32 deduction for that next succeeding assessment date; and

33 (2) regardless of whether:

- 34 (A) one (1) or more grantees of title under subsection (a)(1);

35 or

- 36 (B) one (1) or more **qualified installment** contract purchasers
 37 under subsection (a)(2);

38 files a statement under this chapter to claim the deduction.

39 (c) A deduction applies under subsection (a) for only one (1) year.
 40 The requirements of this chapter for filing a statement to apply for a
 41 deduction under this chapter apply to subsequent years.

42 (d) If:

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1 (1) a statement is filed under this chapter in a calendar year to
 2 claim a deduction under this chapter with respect to real property;
 3 and
 4 (2) the eligibility criteria for the deduction are met;
 5 the deduction applies for the assessment date in that calendar year and
 6 for the property taxes due and payable based on the assessment for that
 7 assessment date.

8 (e) If:
 9 (1) a statement is filed under this chapter in a twelve (12) month
 10 filing period designated under this chapter to claim a deduction
 11 under this chapter with respect to a mobile home or a
 12 manufactured home not assessed as real property; and
 13 (2) the eligibility criteria for the deduction are met;
 14 the deduction applies for the assessment date in that twelve (12) month
 15 period and for the property taxes due and payable based on the
 16 assessment for that assessment date.

17 SECTION 30. IC 6-1.1-20.6-2, AS AMENDED BY
 18 P.L.182-2009(ss), SECTION 151, IS AMENDED TO READ AS
 19 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. (a) As used in
 20 this chapter, "homestead" refers to a homestead that is eligible for a
 21 standard deduction under IC 6-1.1-12-37.

22 (b) ~~The term includes a house or apartment that is owned or leased
 23 by a cooperative housing corporation (as defined in 26 U.S.C. 216(b)).~~

24 SECTION 31. IC 6-1.1-22-8.1, AS AMENDED BY P.L.1-2010,
 25 SECTION 31, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 26 UPON PASSAGE]: Sec. 8.1. (a) The county treasurer shall:

27 (1) except as provided in subsection (h), mail to the last known
 28 address of each person liable for any property taxes or special
 29 assessment, as shown on the tax duplicate or special assessment
 30 records, or to the last known address of the most recent owner
 31 shown in the transfer book; and

32 (2) transmit by written, electronic, or other means to a mortgagee
 33 maintaining an escrow account for a person who is liable for any
 34 property taxes or special assessments, as shown on the tax
 35 duplicate or special assessment records;

36 a statement in the form required under subsection (b). However, for
 37 property taxes first due and payable in 2008, the county treasurer may
 38 choose to use a tax statement that is different from the tax statement
 39 prescribed by the department under subsection (b). If a county chooses
 40 to use a different tax statement, the county must still transmit (with the
 41 tax bill) the statement in either color type or black-and-white type.

42 (b) The department of local government finance shall prescribe a

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1 form, subject to the approval of the state board of accounts, for the
2 statement under subsection (a) that includes at least the following:

3 (1) A statement of the taxpayer's current and delinquent taxes and
4 special assessments.

5 (2) A breakdown showing the total property tax and special
6 assessment liability and the amount of the taxpayer's liability that
7 will be distributed to each taxing unit in the county.

8 (3) An itemized listing for each property tax levy, including:

9 (A) the amount of the tax rate;

10 (B) the entity levying the tax owed; and

11 (C) the dollar amount of the tax owed.

12 (4) Information designed to show the manner in which the taxes
13 and special assessments billed in the tax statement are to be used.

14 (5) A comparison showing any change in the assessed valuation
15 for the property as compared to the previous year.

16 (6) A comparison showing any change in the property tax and
17 special assessment liability for the property as compared to the
18 previous year. The information required under this subdivision
19 must identify:

20 (A) the amount of the taxpayer's liability distributable to each
21 taxing unit in which the property is located in the current year
22 and in the previous year; and

23 (B) the percentage change, if any, in the amount of the
24 taxpayer's liability distributable to each taxing unit in which
25 the property is located from the previous year to the current
26 year.

27 (7) An explanation of the following:

28 (A) Homestead credits under IC 6-1.1-20.4, IC 6-3.5-6-13, or
29 another law that are available in the taxing district where the
30 property is located.

31 (B) All property tax deductions that are available in the taxing
32 district where the property is located.

33 (C) The procedure and deadline for filing for any available
34 homestead credits under IC 6-1.1-20.4, IC 6-3.5-6-13, or
35 another law and each deduction.

36 (D) The procedure that a taxpayer must follow to:

37 (i) appeal a current assessment; or

38 (ii) petition for the correction of an error related to the
39 taxpayer's property tax and special assessment liability.

40 (E) The forms that must be filed for an appeal or a petition
41 described in clause (D).

42 (F) The procedure and deadline that a taxpayer must follow

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and the forms that must be used if a credit or deduction has been granted for the property and the taxpayer is no longer eligible for the credit or deduction.

(G) Notice that an appeal described in clause (D) requires evidence relevant to the true tax value of the taxpayer's property as of the assessment date that is the basis for the taxes payable on that property.

The department of local government finance shall provide the explanation required by this subdivision to each county treasurer.

(8) A checklist that shows:

(A) homestead credits under IC 6-1.1-20.4, IC 6-3.5-6-13, or another law and all property tax deductions; and

(B) whether each homestead credit and property tax deduction applies in the current statement for the property transmitted under subsection (a).

(9) This subdivision applies to any property for which a deduction or credit is listed under subdivision (8) if the notice required under this subdivision was not provided to a taxpayer on a reconciling statement under IC 6-1.1-22.5-12. The statement must include in 2010, 2011, and 2012 a notice that must be returned by the taxpayer to the county auditor with the taxpayer's verification of the items required by this subdivision. The notice must explain the tax consequences and applicable penalties if a taxpayer unlawfully claims a standard deduction under IC 6-1.1-12-37 on:

(A) more than one (1) parcel of property; or

(B) property that is not the taxpayer's principal place of residence or is otherwise not eligible for the standard deduction.

The notice must include a place for the taxpayer to indicate, under penalties of perjury, for each deduction and credit listed under subdivision (8), whether the property is eligible for the deduction or credit listed under subdivision (8). The notice must also include a place for each individual who qualifies the property for a deduction or credit listed in subdivision (8) to indicate the name of the individual and the name of the individual's spouse (if any), as the names appear in the records of the United States Social Security Administration for the purposes of the issuance of a Social Security card and Social Security number (or that they use as their legal names when they sign their names on legal documents), and either the last five (5) digits of each individual's Social Security number or, if an individual does not have a Social Security number, the numbers required from the individual under

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1 ~~IC 6-1.1-12-37(c)(4)(B)~~: **IC 6-1.1-12-37(d)(4)(B)**. The notice
 2 must explain that the taxpayer must complete and return the
 3 notice with the required information and that failure to complete
 4 and return the notice may result in disqualification of property for
 5 deductions and credits listed in subdivision (8), must explain how
 6 to return the notice, and must be on a separate form printed on
 7 paper that is a different color than the tax statement. The notice
 8 must be prepared in the form prescribed by the department of
 9 local government finance and include any additional information
 10 required by the department of local government finance. This
 11 subdivision expires January 1, 2015.

12 (c) The county treasurer may mail or transmit the statement one (1)
 13 time each year at least fifteen (15) days before the date on which the
 14 first or only installment is due. Whenever a person's tax liability for a
 15 year is due in one (1) installment under IC 6-1.1-7-7 or section 9 of this
 16 chapter, a statement that is mailed must include the date on which the
 17 installment is due and denote the amount of money to be paid for the
 18 installment. Whenever a person's tax liability is due in two (2)
 19 installments, a statement that is mailed must contain the dates on which
 20 the first and second installments are due and denote the amount of
 21 money to be paid for each installment. If a statement is returned to the
 22 county treasurer as undeliverable and the forwarding order is expired,
 23 the county treasurer shall notify the county auditor of this fact. Upon
 24 receipt of the county treasurer's notice, the county auditor may, at the
 25 county auditor's discretion, treat the property as not being eligible for
 26 any deductions under IC 6-1.1-12 or any homestead credits under
 27 IC 6-1.1-20.4 and IC 6-3.5-6-13.

28 (d) All payments of property taxes and special assessments shall be
 29 made to the county treasurer. The county treasurer, when authorized by
 30 the board of county commissioners, may open temporary offices for the
 31 collection of taxes in cities and towns in the county other than the
 32 county seat.

33 (e) The county treasurer, county auditor, and county assessor shall
 34 cooperate to generate the information to be included in the statement
 35 under subsection (b).

36 (f) The information to be included in the statement under subsection
 37 (b) must be simply and clearly presented and understandable to the
 38 average individual.

39 (g) After December 31, 2007, a reference in a law or rule to
 40 IC 6-1.1-22-8 (expired January 1, 2008, and repealed) shall be treated
 41 as a reference to this section.

42 (h) Transmission of statements and other information under this

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1 subsection applies in a county only if the county legislative body adopts
 2 an authorizing ordinance. Subject to subsection (i), in a county in
 3 which an ordinance is adopted under this subsection for property taxes
 4 and special assessments first due and payable after 2009, a person may
 5 direct the county treasurer and county auditor to transmit the following
 6 to the person by electronic mail:

7 (1) A statement that would otherwise be sent by the county
 8 treasurer to the person by regular mail under subsection (a)(1),
 9 including a statement that reflects installment payment due dates
 10 under section 9.5 or 9.7 of this chapter.

11 (2) A provisional tax statement that would otherwise be sent by
 12 the county treasurer to the person by regular mail under
 13 IC 6-1.1-22.5-6.

14 (3) A reconciling tax statement that would otherwise be sent by
 15 the county treasurer to the person by regular mail under any of the
 16 following:

17 (A) Section 9 of this chapter.

18 (B) Section 9.7 of this chapter.

19 (C) IC 6-1.1-22.5-12, including a statement that reflects
 20 installment payment due dates under IC 6-1.1-22.5-18.5.

21 (4) A statement that would otherwise be sent by the county
 22 auditor to the person by regular mail under IC 6-1.1-17-3(b).

23 (5) Any other information that:

24 (A) concerns the property taxes or special assessments; and

25 (B) would otherwise be sent:

26 (i) by the county treasurer or the county auditor to the person
 27 by regular mail; and

28 (ii) before the last date the property taxes or special
 29 assessments may be paid without becoming delinquent.

30 (i) For property with respect to which more than one (1) person is
 31 liable for property taxes and special assessments, subsection (h) applies
 32 only if all the persons liable for property taxes and special assessments
 33 designate the electronic mail address for only one (1) individual
 34 authorized to receive the statements and other information referred to
 35 in subsection (h).

36 (j) Before 2010, the department of local government finance shall
 37 create a form to be used to implement subsection (h). The county
 38 treasurer and county auditor shall:

39 (1) make the form created under this subsection available to the
 40 public;

41 (2) transmit a statement or other information by electronic mail
 42 under subsection (h) to a person who, at least thirty (30) days

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1 before the anticipated general mailing date of the statement or
 2 other information, files the form created under this subsection:

3 (A) with the county treasurer; or

4 (B) with the county auditor; and

5 (3) publicize the availability of the electronic mail option under
 6 this subsection through appropriate media in a manner reasonably
 7 designed to reach members of the public.

8 (k) The form referred to in subsection (j) must:

9 (1) explain that a form filed as described in subsection (j)(2)
 10 remains in effect until the person files a replacement form to:

11 (A) change the person's electronic mail address; or

12 (B) terminate the electronic mail option under subsection (h);

13 and

14 (2) allow a person to do at least the following with respect to the
 15 electronic mail option under subsection (h):

16 (A) Exercise the option.

17 (B) Change the person's electronic mail address.

18 (C) Terminate the option.

19 (D) For a person other than an individual, designate the
 20 electronic mail address for only one (1) individual authorized
 21 to receive the statements and other information referred to in
 22 subsection (h).

23 (E) For property with respect to which more than one (1)
 24 person is liable for property taxes and special assessments,
 25 designate the electronic mail address for only one (1)
 26 individual authorized to receive the statements and other
 27 information referred to in subsection (h).

28 (l) The form created under subsection (j) is considered filed with the
 29 county treasurer or the county auditor on the postmark date. If the
 30 postmark is missing or illegible, the postmark is considered to be one
 31 (1) day before the date of receipt of the form by the county treasurer or
 32 the county auditor.

33 (m) The county treasurer shall maintain a record that shows at least
 34 the following:

35 (1) Each person to whom a statement or other information is
 36 transmitted by electronic mail under this section.

37 (2) The information included in the statement.

38 (3) Whether the person received the statement.

39 **SECTION 32. An emergency is declared for this act.**

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