COMMITTEE REPORT

MADAM PRESIDENT:

The Senate Committee on Appropriations, to which was referred Senate Bill No. 142, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

Page 1, delete lines 1 through 15, begin a new paragraph and insert:

"SECTION 1. IC 6-1.1-4-39, AS AMENDED BY P.L.146-2008, SECTION 85, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2012]: Sec. 39. (a) For assessment dates after February 28, 2005, except as provided in subsections (c) and (e), the true tax value of real property regularly used to rent or otherwise furnish residential accommodations for periods of thirty (30) days or more and that has more than four (4) rental units is the lowest valuation determined by applying each of the following appraisal approaches:

(1) Cost approach that includes an estimated reproduction or replacement cost of buildings and land improvements as of the date of valuation together with estimates of the losses in value that have taken place due to wear and tear, design and plan, or neighborhood influences.

(2) Sales comparison approach, using data for generally comparable property.

(3) Income capitalization approach, using an applicable capitalization method and appropriate capitalization rates that are developed and used in computations that lead to an indication of value commensurate with the risks for the subject property use.

(b) The gross rent multiplier method is the preferred method of

valuing:

(1) real property that has at least one (1) and not more than four (4) rental units; and

(2) mobile homes assessed under IC 6-1.1-7.

(c) A township assessor (if any) or the county assessor is not required to appraise real property referred to in subsection (a) using the three (3) appraisal approaches listed in subsection (a) if the assessor and the taxpayer agree before notice of the assessment is given to the taxpayer under section 22 of this chapter to the determination of the true tax value of the property by the assessor using one (1) of those appraisal approaches.

(d) To carry out this section, the department of local government finance may adopt rules for assessors to use in gathering and processing information for the application of the income capitalization method and the gross rent multiplier method. **If a taxpayer wishes to have the income capitalization method or the gross rent multiplier method used in the initial formulation of the assessment of the taxpayer's property, the taxpayer must submit the necessary information to the assessor not later than the March 1 assessment date. However, the taxpayer shall not be prejudiced in any way, or restricted in pursuing an appeal, if the data is not submitted by March 1.** A taxpayer must verify under penalties for perjury any information provided to the township or county assessor for use in the application of either method. **Information provided to the assessor under this section is confidential as provided in IC 6-1.1-35-9.**

(e) The true tax value of low income rental property (as defined in section 41 of this chapter) is not determined under subsection (a). The assessment method prescribed in section 41 of this chapter is the exclusive method for assessment of that property. This subsection does not impede any rights to appeal an assessment.".

Page 2, delete lines 1 through 37.

Page 3, line 24, after "(p)." insert "**Only one (1) filing fee must be paid for a review, if the appeal involves contiguous parcels and all those parcels are covered by the appeal.**".

Page 3, line 32, after "(p)." insert "**Only one (1) filing fee must be paid for a review, if the appeal involves contiguous parcels and all those parcels are covered by the appeal.**".

Page 6, line 27, after "county" delete "or" and insert "**treasurer**".

Page 6, line 28, delete "township official with whom the notice is filed".

Page 6, line 33, delete "assessor" and insert "**county treasurer**".

Page 7, line 13, delete "has a duration of not more" and insert

"specifies that it expires forty-five (45) days after receiving a final determination in the proceeding or review, including any subsequent appeal from the final determination in the proceeding or review, or two (2) years after the power of attorney is executed, whichever is later.".

Page 7, delete line 14.

Page 7, delete lines 15 through 42, begin a new paragraph and insert:

"SECTION 4. IC 6-1.1-37-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2012]: Sec. 11. (a) If a taxpayer is entitled to a property tax refund or credit because an assessment is decreased, the taxpayer shall also be paid, or credited with, interest on the excess taxes that ~~he~~ **the taxpayer** paid at the rate of four percent (4%) per annum. **However, in the case of an assessment that is decreased by the Indiana board or the Indiana tax court, the taxpayer is not entitled to interest on the excess taxes unless the taxpayer affirms, under penalty of perjury, that substantive evidence supporting the taxpayer's position had been:**

(1) presented by the taxpayer to the assessor before; or

(2) introduced by the taxpayer at;

the hearing before the county property tax assessment board of appeals.

(b) For purposes of this section and except as provided in subsection (c), the interest shall be computed from the date on which the taxes were paid or due, whichever is later, to the date of the refund or credit.

(c) This subsection applies if a taxpayer who is entitled to a refund or credit does not make a written request for the refund or credit to the county auditor within forty-five (45) days after the final determination of the county property tax assessment board of appeals, the state board of tax commissioners, the department of local government finance, the Indiana board, or the tax court that entitles the taxpayer to the refund or credit. In the case of a taxpayer described in this subsection, the interest shall be computed from the date on which the taxes were paid or due to the date that is forty-five (45) days after the final determination of the county property tax assessment board of appeals, the state board of tax commissioners, the department of local government finance, the Indiana board of tax review, or the Indiana tax court. In any event, a property tax refund or credit must be issued not

later than ninety (90) days after the request is received.".

Delete page 8.

Renumber all SECTIONS consecutively.

(Reference is to SB 142 as introduced.)

and when so amended that said bill do pass .

Committee Vote: Yeas 11, Nays 0.

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Senator Kenley, Chairperson