

# 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:**

- 1           Page 1, delete lines 1 through 15, begin a new paragraph and insert:  
2           "SECTION 1. IC 6-1.1-4-39, AS AMENDED BY P.L.146-2008,  
3           SECTION 85, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
4           JULY 1, 2012]: Sec. 39. (a) For assessment dates after February 28,  
5           2005, except as provided in subsections (c) and (e), the true tax value  
6           of real property regularly used to rent or otherwise furnish residential  
7           accommodations for periods of thirty (30) days or more and that has  
8           more than four (4) rental units is the lowest valuation determined by  
9           applying each of the following appraisal approaches:  
10           (1) Cost approach that includes an estimated reproduction or  
11           replacement cost of buildings and land improvements as of the  
12           date of valuation together with estimates of the losses in value  
13           that have taken place due to wear and tear, design and plan, or  
14           neighborhood influences.  
15           (2) Sales comparison approach, using data for generally  
16           comparable property.  
17           (3) Income capitalization approach, using an applicable  
18           capitalization method and appropriate capitalization rates that are  
19           developed and used in computations that lead to an indication of  
20           value commensurate with the risks for the subject property use.  
21           (b) The gross rent multiplier method is the preferred method of

1 valuing:

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

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

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

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

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

31 Page 2, delete lines 1 through 37.

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

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

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

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

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

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

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

6 Page 7, delete line 14.

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

9 "SECTION 4. IC 6-1.1-37-11 IS AMENDED TO READ AS  
 10 FOLLOWS [EFFECTIVE JULY 1, 2012]: Sec. 11. (a) If a taxpayer is  
 11 entitled to a property tax refund or credit because an assessment is  
 12 decreased, the taxpayer shall also be paid, or credited with, interest on  
 13 the excess taxes that ~~he~~ **the taxpayer** paid at the rate of four percent  
 14 (4%) per annum. **However, in the case of an assessment that is**  
 15 **decreased by the Indiana board or the Indiana tax court, the**  
 16 **taxpayer is not entitled to interest on the excess taxes unless the**  
 17 **taxpayer affirms, under penalty of perjury, that substantive**  
 18 **evidence supporting the taxpayer's position had been:**

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

20 **(2) introduced by the taxpayer at;**

21 **the hearing before the county property tax assessment board of**  
 22 **appeals.**

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

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

- 1 later than ninety (90) days after the request is received."
- 2 Delete page 8.
- 3 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.

---

**Senator Kenley, Chairperson**