



April 5, 2013

**ENGROSSED
HOUSE BILL No. 1544**

DIGEST OF HB 1544 (Updated April 2, 2013 2:38 pm - DI 73)

Citations Affected: IC 6-1.1; IC 34-24; IC 35-43; noncode.

Synopsis: Various tax matters. Amends the law regarding economic revitalization areas to: (1) allow a designating body to establish an abatement schedule in all cases (current law allows designating bodies to establish an alternative abatement schedule); (2) provide that an abatement schedule approved for a particular taxpayer before July 1, 2013, remains in effect until the abatement schedule expires under the terms of the resolution approving the taxpayer's statement of benefits; (3) repeal a statute authorizing enhanced abatements; and (4) remove references to deadline dates that have already passed. Defines the term "common areas" for purposes of the circuit breaker credit law. Provides that for purposes of the circuit breaker credit, the land that is a common area shared by dwelling units of a building that includes two or more dwelling units is considered "residential property". (Current law limits the land eligible to be classified as "residential property" to only the
(Continued next page)

Effective: March 1, 2013 (retroactive); July 1, 2013.

Turner, Braun

(SENATE SPONSOR — HERSHMAN)

January 22, 2013, read first time and referred to Committee on Ways and Means.
February 18, 2013, amended, reported — Do Pass.
February 20, 2013, read second time, ordered engrossed. Engrossed.
February 25, 2013, read third time, failed. Yeas 48, nays 47. House reconsidered.
February 25, 2013, re-read third time, recommitted to Committee of One, amended, passed. Yeas 65, nays 30.
February 26, 2013, re-engrossed.
SENATE ACTION
February 27, 2013, read first time, referred to Committee on Tax and Fiscal Policy.
April 4, 2013, amended, reported favorably — Do Pass.

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area of the building footprint.) Specifies that if a taxpayer is entitled to a property tax refund or credit because an assessment is decreased, the interest rate on the refund is the rate established for excess tax payments by the commissioner of the department of state revenue (rather than 4%, under current law). Provides that: (1) the interest on property tax refunds or credits paid to a taxpayer; and (2) the interest paid by a taxpayer if an assessment is increased after a petition for review or a judicial proceeding has been pending; shall be calculated at the rate in effect for each year. Imposes a Class C felony penalty for sale, purchase, installation, transfer, or possession of an automated sales suppression device ("zapper") or phantom-ware.

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April 5, 2013

First Regular Session 118th General Assembly (2013)

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 2012 Regular Session of the General Assembly.

ENGROSSED HOUSE BILL No. 1544

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 6-1.1-12.1-1, AS AMENDED BY P.L.224-2007,
2 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2013]: Sec. 1. For purposes of this chapter:

4 (1) "Economic revitalization area" means an area which is within
5 the corporate limits of a city, town, or county which has become
6 undesirable for, or impossible of, normal development and
7 occupancy because of a lack of development, cessation of growth,
8 deterioration of improvements or character of occupancy, age,
9 obsolescence, substandard buildings, or other factors which have
10 impaired values or prevent a normal development of property or
11 use of property. The term "economic revitalization area" also
12 includes:

13 (A) any area where a facility or a group of facilities that are
14 technologically, economically, or energy obsolete are located
15 and where the obsolescence may lead to a decline in
16 employment and tax revenues; and

17 (B) a residentially distressed area, except as otherwise

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- 1 provided in this chapter.
- 2 (2) "City" means any city in this state, and "town" means any town
3 incorporated under IC 36-5-1.
- 4 (3) "New manufacturing equipment" means tangible personal
5 property that a deduction applicant:
- 6 (A) installs ~~after February 28, 1983, and~~ on or before the
7 approval deadline determined under section 9 of this chapter,
8 in an area that is declared an economic revitalization area ~~after~~
9 ~~February 28, 1983,~~ in which a deduction for tangible personal
10 property is allowed;
- 11 (B) uses in the direct production, manufacture, fabrication,
12 assembly, extraction, mining, processing, refining, or finishing
13 of other tangible personal property, including but not limited
14 to use to dispose of solid waste or hazardous waste by
15 converting the solid waste or hazardous waste into energy or
16 other useful products;
- 17 (C) acquires for use as described in clause (B):
- 18 (i) in an arms length transaction from an entity that is not an
19 affiliate of the deduction applicant, if the tangible personal
20 property has been previously used in Indiana before the
21 installation described in clause (A); or
- 22 (ii) in any manner, if the tangible personal property has
23 never been previously used in Indiana before the installation
24 described in clause (A); and
- 25 (D) has never used for any purpose in Indiana before the
26 installation described in clause (A).
- 27 However, notwithstanding any other law, the term includes
28 tangible personal property that is used to dispose of solid waste or
29 hazardous waste by converting the solid waste or hazardous waste
30 into energy or other useful products and was installed after March
31 1, 1993, and before March 2, 1996, even if the property was
32 installed before the area where the property is located was
33 designated as an economic revitalization area or the statement of
34 benefits for the property was approved by the designating body.
- 35 (4) "Property" means a building or structure, but does not include
36 land.
- 37 (5) "Redevelopment" means the construction of new structures,
38 in economic revitalization areas, either:
- 39 (A) on unimproved real estate; or
- 40 (B) on real estate upon which a prior existing structure is
41 demolished to allow for a new construction.
- 42 (6) "Rehabilitation" means the remodeling, repair, or betterment

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- 1 of property in any manner or any enlargement or extension of
 2 property.
 3 (7) "Designating body" means the following:
 4 (A) For a county that does not contain a consolidated city, the
 5 fiscal body of the county, city, or town.
 6 (B) For a county containing a consolidated city, the
 7 metropolitan development commission.
 8 (8) "Deduction application" means:
 9 (A) the application filed in accordance with section 5 of this
 10 chapter by a property owner who desires to obtain the
 11 deduction provided by section 3 of this chapter;
 12 (B) the application filed in accordance with section 5.4 of this
 13 chapter by a person who desires to obtain the deduction
 14 provided by section 4.5 of this chapter; or
 15 (C) the application filed in accordance with section 5.3 of this
 16 chapter by a property owner that desires to obtain the
 17 deduction provided by section 4.8 of this chapter.
 18 (9) "Designation application" means an application that is filed
 19 with a designating body to assist that body in making a
 20 determination about whether a particular area should be
 21 designated as an economic revitalization area.
 22 (10) "Hazardous waste" has the meaning set forth in
 23 IC 13-11-2-99(a). The term includes waste determined to be a
 24 hazardous waste under IC 13-22-2-3(b).
 25 (11) "Solid waste" has the meaning set forth in IC 13-11-2-205(a).
 26 However, the term does not include dead animals or any animal
 27 solid or semisolid wastes.
 28 (12) "New research and development equipment" means tangible
 29 personal property that:
 30 (A) a deduction applicant installs ~~after June 30, 2000, and~~ on
 31 or before the approval deadline determined under section 9 of
 32 this chapter, in an economic revitalization area in which a
 33 deduction for tangible personal property is allowed;
 34 (B) consists of:
 35 (i) laboratory equipment;
 36 (ii) research and development equipment;
 37 (iii) computers and computer software;
 38 (iv) telecommunications equipment; or
 39 (v) testing equipment;
 40 (C) the deduction applicant uses in research and development
 41 activities devoted directly and exclusively to experimental or
 42 laboratory research and development for new products, new

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- 1 uses of existing products, or improving or testing existing
 2 products;
 3 (D) the deduction applicant acquires for purposes described in
 4 this subdivision:
 5 (i) in an arms length transaction from an entity that is not an
 6 affiliate of the deduction applicant, if the tangible personal
 7 property has been previously used in Indiana before the
 8 installation described in clause (A); or
 9 (ii) in any manner, if the tangible personal property has
 10 never been previously used in Indiana before the installation
 11 described in clause (A); and
 12 (E) the deduction applicant has never used for any purpose in
 13 Indiana before the installation described in clause (A).
 14 The term does not include equipment installed in facilities used
 15 for or in connection with efficiency surveys, management studies,
 16 consumer surveys, economic surveys, advertising or promotion,
 17 or research in connection with literacy, history, or similar
 18 projects.
 19 (13) "New logistical distribution equipment" means tangible
 20 personal property that:
 21 (A) a deduction applicant installs ~~after June 30, 2004, and~~ on
 22 or before the approval deadline determined under section 9 of
 23 this chapter, in an economic revitalization area in which a
 24 deduction for tangible personal property is allowed;
 25 (B) consists of:
 26 (i) racking equipment;
 27 (ii) scanning or coding equipment;
 28 (iii) separators;
 29 (iv) conveyors;
 30 (v) fork lifts or lifting equipment (including "walk
 31 behinds");
 32 (vi) transitional moving equipment;
 33 (vii) packaging equipment;
 34 (viii) sorting and picking equipment; or
 35 (ix) software for technology used in logistical distribution;
 36 (C) the deduction applicant acquires for the storage or
 37 distribution of goods, services, or information:
 38 (i) in an arms length transaction from an entity that is not an
 39 affiliate of the deduction applicant, if the tangible personal
 40 property has been previously used in Indiana before the
 41 installation described in clause (A); and
 42 (ii) in any manner, if the tangible personal property has

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1 never been previously used in Indiana before the installation
 2 described in clause (A); and
 3 (D) the deduction applicant has never used for any purpose in
 4 Indiana before the installation described in clause (A).
 5 (14) "New information technology equipment" means tangible
 6 personal property that:
 7 (A) a deduction applicant installs ~~after June 30, 2004, and~~ on
 8 or before the approval deadline determined under section 9 of
 9 this chapter, in an economic revitalization area in which a
 10 deduction for tangible personal property is allowed;
 11 (B) consists of equipment, including software, used in the
 12 fields of:
 13 (i) information processing;
 14 (ii) office automation;
 15 (iii) telecommunication facilities and networks;
 16 (iv) informatics;
 17 (v) network administration;
 18 (vi) software development; and
 19 (vii) fiber optics;
 20 (C) the deduction applicant acquires in an arms length
 21 transaction from an entity that is not an affiliate of the
 22 deduction applicant; and
 23 (D) the deduction applicant never used for any purpose in
 24 Indiana before the installation described in clause (A).
 25 (15) "Deduction applicant" means an owner of tangible personal
 26 property who makes a deduction application.
 27 (16) "Affiliate" means an entity that effectively controls or is
 28 controlled by a deduction applicant or is associated with a
 29 deduction applicant under common ownership or control, whether
 30 by shareholdings or other means.
 31 (17) "Eligible vacant building" means a building that:
 32 (A) is zoned for commercial or industrial purposes; and
 33 (B) is unoccupied for at least one (1) year before the owner of
 34 the building or a tenant of the owner occupies the building, as
 35 evidenced by a valid certificate of occupancy, paid utility
 36 receipts, executed lease agreements, or any other evidence of
 37 occupation that the department of local government finance
 38 requires.
 39 SECTION 2. IC 6-1.1-12.1-2, AS AMENDED BY P.L.119-2012,
 40 SECTION 18, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 41 JULY 1, 2013]: Sec. 2. (a) A designating body may find that a
 42 particular area within its jurisdiction is an economic revitalization area.

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1 However, the deduction provided by this chapter for economic
2 revitalization areas not within a city or town shall not be available to
3 retail businesses.

4 (b) In a county containing a consolidated city or within a city or
5 town, a designating body may find that a particular area within its
6 jurisdiction is a residentially distressed area. Designation of an area as
7 a residentially distressed area has the same effect as designating an
8 area as an economic revitalization area, except that the amount of the
9 deduction shall be calculated as specified in section 4.1 of this chapter
10 and the deduction is allowed for not more than ~~five (5) years~~: **the**
11 **number of years specified by the designating body under section 17**
12 **of this chapter**. In order to declare a particular area a residentially
13 distressed area, the designating body must follow the same procedure
14 that is required to designate an area as an economic revitalization area
15 and must make all the following additional findings or all the additional
16 findings described in subsection (c):

17 (1) The area is comprised of parcels that are either unimproved or
18 contain only one (1) or two (2) family dwellings or multifamily
19 dwellings designed for up to four (4) families, including accessory
20 buildings for those dwellings.

21 (2) Any dwellings in the area are not permanently occupied and
22 are:

23 (A) the subject of an order issued under IC 36-7-9; or

24 (B) evidencing significant building deficiencies.

25 (3) Parcels of property in the area:

26 (A) have been sold and not redeemed under IC 6-1.1-24 and
27 IC 6-1.1-25; or

28 (B) are owned by a unit of local government.

29 However, in a city in a county having a population of more than two
30 hundred fifty thousand (250,000) but less than two hundred seventy
31 thousand (270,000), the designating body is only required to make one
32 (1) of the additional findings described in this subsection or one (1) of
33 the additional findings described in subsection (c).

34 (c) In a county containing a consolidated city or within a city or
35 town, a designating body that wishes to designate a particular area a
36 residentially distressed area may make the following additional
37 findings as an alternative to the additional findings described in
38 subsection (b):

39 (1) A significant number of dwelling units within the area are not
40 permanently occupied or a significant number of parcels in the
41 area are vacant land.

42 (2) A significant number of dwelling units within the area are:

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- 1 (A) the subject of an order issued under IC 36-7-9; or
 2 (B) evidencing significant building deficiencies.
- 3 (3) The area has experienced a net loss in the number of dwelling
 4 units, as documented by census information, local building and
 5 demolition permits, or certificates of occupancy, or the area is
 6 owned by Indiana or the United States.
- 7 (4) The area (plus any areas previously designated under this
 8 subsection) will not exceed ten percent (10%) of the total area
 9 within the designating body's jurisdiction.
- 10 However, in a city in a county having a population of more than two
 11 hundred fifty thousand (250,000) but less than two hundred seventy
 12 thousand (270,000), the designating body is only required to make one
 13 (1) of the additional findings described in this subsection as an
 14 alternative to one (1) of the additional findings described in subsection
 15 (b).
- 16 (d) A designating body is required to attach the following conditions
 17 to the grant of a residentially distressed area designation:
- 18 (1) The deduction will not be allowed unless the dwelling is
 19 rehabilitated to meet local code standards for habitability.
- 20 (2) If a designation application is filed, the designating body may
 21 require that the redevelopment or rehabilitation be completed
 22 within a reasonable period of time.
- 23 (e) To make a designation described in subsection (a) or (b), the
 24 designating body shall use procedures prescribed in section 2.5 of this
 25 chapter.
- 26 (f) The property tax deductions provided by section 3, 4.5, or 4.8 of
 27 this chapter are only available within an area which the designating
 28 body finds to be an economic revitalization area.
- 29 (g) The designating body may adopt a resolution establishing
 30 general standards to be used, along with the requirements set forth in
 31 the definition of economic revitalization area, by the designating body
 32 in finding an area to be an economic revitalization area. The standards
 33 must have a reasonable relationship to the development objectives of
 34 the area in which the designating body has jurisdiction. The following
 35 four (4) sets of standards may be established:
- 36 (1) One (1) relative to the deduction under section 3 of this
 37 chapter for economic revitalization areas that are not residentially
 38 distressed areas.
- 39 (2) One (1) relative to the deduction under section 3 of this
 40 chapter for residentially distressed areas.
- 41 (3) One (1) relative to the deduction allowed under section 4.5 of
 42 this chapter.

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- 1 (4) One (1) relative to the deduction allowed under section 4.8 of
 2 this chapter.
- 3 (h) A designating body may impose a fee for filing a designation
 4 application for a person requesting the designation of a particular area
 5 as an economic revitalization area. The fee may be sufficient to defray
 6 actual processing and administrative costs. However, the fee charged
 7 for filing a designation application for a parcel that contains one (1) or
 8 more owner-occupied, single-family dwellings may not exceed the cost
 9 of publishing the required notice.
- 10 (i) In declaring an area an economic revitalization area, the
 11 designating body may:
- 12 (1) limit the time period to a certain number of calendar years
 13 during which the economic revitalization area shall be so
 14 designated;
- 15 (2) limit the type of deductions that will be allowed within the
 16 economic revitalization area to the deduction allowed under
 17 section 3 of this chapter, the deduction allowed under section 4.5
 18 of this chapter, the deduction allowed under section 4.8 of this
 19 chapter, or any combination of these deductions;
- 20 (3) limit the dollar amount of the deduction that will be allowed
 21 with respect to new manufacturing equipment, new research and
 22 development equipment, new logistical distribution equipment,
 23 and new information technology equipment; ~~if a deduction under~~
 24 ~~this chapter had not been filed before July 1, 1987, for that~~
 25 ~~equipment;~~
- 26 (4) limit the dollar amount of the deduction that will be allowed
 27 with respect to redevelopment and rehabilitation occurring in
 28 areas that are designated as economic revitalization areas; ~~on or~~
 29 ~~after September 1, 1988;~~
- 30 (5) limit the dollar amount of the deduction that will be allowed
 31 under section 4.8 of this chapter with respect to the occupation of
 32 an eligible vacant building; or
- 33 (6) impose reasonable conditions related to the purpose of this
 34 chapter or to the general standards adopted under subsection (g)
 35 for allowing the deduction for the redevelopment or rehabilitation
 36 of the property or the installation of the new manufacturing
 37 equipment, new research and development equipment, new
 38 logistical distribution equipment, or new information technology
 39 equipment.
- 40 To exercise one (1) or more of these powers, a designating body must
 41 include this fact in the resolution passed under section 2.5 of this
 42 chapter.



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1 (j) Notwithstanding any other provision of this chapter, if a
 2 designating body limits the time period during which an area is an
 3 economic revitalization area, that limitation does not:

4 (1) prevent a taxpayer from obtaining a deduction for new
 5 manufacturing equipment, new research and development
 6 equipment, new logistical distribution equipment, or new
 7 information technology equipment installed on or before the
 8 approval deadline determined under section 9 of this chapter, but
 9 after the expiration of the economic revitalization area if

10 (A) the economic revitalization area designation expires after
 11 December 30, 1995; and

12 (B) the new manufacturing equipment, new research and
 13 development equipment, new logistical distribution
 14 equipment, or new information technology equipment was
 15 described in a statement of benefits submitted to and approved
 16 by the designating body in accordance with section 4.5 of this
 17 chapter before the expiration of the economic revitalization
 18 area designation; or

19 (2) limit the length of time a taxpayer is entitled to receive a
 20 deduction to a number of years that is less than the number of
 21 years designated under section 4, 4.5, or 4.8 17 of this chapter.

22 (k) Notwithstanding any other provision of this chapter, deductions:

23 (1) that are authorized under section 3 of this chapter for property
 24 in an area designated as an urban development area before March
 25 1, 1983, and that are based on an increase in assessed valuation
 26 resulting from redevelopment or rehabilitation that occurs before
 27 March 1, 1983; or

28 (2) that are authorized under section 4.5 of this chapter for new
 29 manufacturing equipment installed in an area designated as an
 30 urban development area before March 1, 1983;

31 apply according to the provisions of this chapter as they existed at the
 32 time that an application for the deduction was first made. No deduction
 33 that is based on the location of property or new manufacturing
 34 equipment in an urban development area is authorized under this
 35 chapter after February 28, 1983, unless the initial increase in assessed
 36 value resulting from the redevelopment or rehabilitation of the property
 37 or the installation of the new manufacturing equipment occurred before
 38 March 1, 1983.

39 (†) (k) In addition to the other requirements of this chapter, if
 40 property located in an economic revitalization area is also located in an
 41 allocation area (as defined in IC 36-7-14-39 or IC 36-7-15.1-26), a
 42 taxpayer's statement of benefits concerning that property may not be

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1 approved under this chapter unless a resolution approving the
2 statement of benefits is adopted by the legislative body of the unit that
3 approved the designation of the allocation area.

4 SECTION 3. IC 6-1.1-12.1-2.5, AS AMENDED BY P.L.154-2006,
5 SECTION 26, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
6 JULY 1, 2013]: Sec. 2.5. (a) If a designating body finds that an area in
7 its jurisdiction is an economic revitalization area, it shall either:

- 8 (1) prepare maps and plats that identify the area; or
- 9 (2) prepare a simplified description of the boundaries of the area
10 by describing its location in relation to public ways, streams, or
11 otherwise.

12 (b) After the compilation of the materials described in subsection
13 (a), the designating body shall pass a resolution declaring the area an
14 economic revitalization area. The resolution must contain a description
15 of the affected area and be filed with the county assessor. A resolution
16 ~~adopted after June 30, 2000,~~ may include a determination of the
17 number of years a deduction under section 3, 4.5, or 4.8 of this chapter
18 is allowed.

19 (c) After approval of a resolution under subsection (b), the
20 designating body shall do the following:

- 21 (1) Publish notice of the adoption and substance of the resolution
22 in accordance with IC 5-3-1.
- 23 (2) File the following information with each taxing unit that has
24 authority to levy property taxes in the geographic area where the
25 economic revitalization area is located:
 - 26 (A) A copy of the notice required by subdivision (1).
 - 27 (B) A statement containing substantially the same information
28 as a statement of benefits filed with the designating body
29 before the hearing required by this section under section 3, 4.5,
30 or 4.8 of this chapter.

31 The notice must state that a description of the affected area is available
32 and can be inspected in the county assessor's office. The notice must
33 also name a date when the designating body will receive and hear all
34 remonstrances and objections from interested persons. The designating
35 body shall file the information required by subdivision (2) with the
36 officers of the taxing unit who are authorized to fix budgets, tax rates,
37 and tax levies under IC 6-1.1-17-5 at least ten (10) days before the date
38 of the public hearing. After considering the evidence, the designating
39 body shall take final action determining whether the qualifications for
40 an economic revitalization area have been met and confirming,
41 modifying and confirming, or rescinding the resolution. This
42 determination is final except that an appeal may be taken and heard as

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provided under subsections (d) and (e).

(d) A person who filed a written remonstrance with the designating body under this section and who is aggrieved by the final action taken may, within ten (10) days after that final action, initiate an appeal of that action by filing in the office of the clerk of the circuit or superior court a copy of the order of the designating body and the person's remonstrance against that order, together with the person's bond conditioned to pay the costs of the person's appeal if the appeal is determined against the person. The only ground of appeal that the court may hear is whether the proposed project will meet the qualifications of the economic revitalization area law. The burden of proof is on the appelliant.

(e) An appeal under this section shall be promptly heard by the court without a jury. All remonstrances upon which an appeal has been taken shall be consolidated and heard and determined within thirty (30) days after the time of the filing of the appeal. The court shall hear evidence on the appeal, and may confirm the final action of the designating body or sustain the appeal. The judgment of the court is final and conclusive, unless an appeal is taken as in other civil actions.

SECTION 4. IC 6-1.1-12.1-3, AS AMENDED BY P.L.119-2012, SECTION 19, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2013]: Sec. 3. (a) An applicant must provide a statement of benefits to the designating body. If the designating body requires information from the applicant for economic revitalization area status for use in making its decision about whether to designate an economic revitalization area, the applicant shall provide the completed statement of benefits form to the designating body before the hearing required by section 2.5(c) of this chapter. Otherwise, the statement of benefits form must be submitted to the designating body before the initiation of the redevelopment or rehabilitation for which the person desires to claim a deduction under this chapter. The department of local government finance shall prescribe a form for the statement of benefits. The statement of benefits must include the following information:

- (1) A description of the proposed redevelopment or rehabilitation.
- (2) An estimate of the number of individuals who will be employed or whose employment will be retained by the person as a result of the redevelopment or rehabilitation and an estimate of the annual salaries of these individuals.
- (3) An estimate of the value of the redevelopment or rehabilitation.

With the approval of the designating body, the statement of benefits may be incorporated in a designation application. Notwithstanding any

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1 other law, a statement of benefits is a public record that may be
2 inspected and copied under IC 5-14-3-3.

3 (b) The designating body must review the statement of benefits
4 required under subsection (a). The designating body shall determine
5 whether an area should be designated an economic revitalization area
6 or whether a deduction should be allowed, based on (and after it has
7 made) the following findings:

8 (1) Whether the estimate of the value of the redevelopment or
9 rehabilitation is reasonable for projects of that nature.

10 (2) Whether the estimate of the number of individuals who will be
11 employed or whose employment will be retained can be
12 reasonably expected to result from the proposed described
13 redevelopment or rehabilitation.

14 (3) Whether the estimate of the annual salaries of those
15 individuals who will be employed or whose employment will be
16 retained can be reasonably expected to result from the proposed
17 described redevelopment or rehabilitation.

18 (4) Whether any other benefits about which information was
19 requested are benefits that can be reasonably expected to result
20 from the proposed described redevelopment or rehabilitation.

21 (5) Whether the totality of benefits is sufficient to justify the
22 deduction.

23 A designating body may not designate an area an economic
24 revitalization area or approve a deduction unless the findings required
25 by this subsection are made in the affirmative.

26 (c) Except as provided in subsections (a) through (b), the owner of
27 property which is located in an economic revitalization area is entitled
28 to a deduction from the assessed value of the property. ~~If the area is a~~
29 ~~residentially distressed area, the period is not more than five (5) years.~~
30 ~~For all other economic revitalization areas designated before July 1,~~
31 ~~2000, the period is three (3), six (6), or ten (10) years.~~ For all economic
32 revitalization areas ~~designated after June 30, 2000,~~ the period is the
33 number of years determined under ~~subsection (d):~~ **section 17 of this**
34 **chapter.** The owner is entitled to a deduction if:

35 (1) the property has been rehabilitated; or

36 (2) the property is located on real estate which has been
37 redeveloped.

38 The owner is entitled to the deduction for the first year, and any
39 successive year or years, in which an increase in assessed value
40 resulting from the rehabilitation or redevelopment occurs and for the
41 following years determined under ~~subsection (d):~~ ~~However, property~~
42 ~~owners who had an area designated an urban development area~~

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1 pursuant to an application filed prior to January 1, 1979; are only
2 entitled to a deduction for a five (5) year period. In addition, property
3 owners who are entitled to a deduction under this chapter pursuant to
4 an application filed after December 31, 1978, and before January 1,
5 1986; are entitled to a deduction for a ten (10) year period: **section 17**
6 **of this chapter.**

7 (d) For an area designated as an economic revitalization area after
8 June 30, 2000, that is not a residentially distressed area, the designating
9 body shall determine the number of years for which the property owner
10 is entitled to a deduction. However, the deduction may not be allowed
11 for more than ten (10) years. ~~This~~ **The designating body's**
12 **determination shall must** be made:

- 13 (1) as part of the resolution adopted under section 2.5 of this
- 14 chapter; or
- 15 (2) by resolution adopted within sixty (60) days after receiving a
- 16 copy of a property owner's certified deduction application from
- 17 the county auditor. A certified copy of the resolution ~~shall~~ **must**
- 18 be sent to the county auditor, who shall make the deduction as
- 19 provided in section 5 of this chapter.

20 A determination about the number of years the deduction is allowed
21 that is made under subdivision (1) is final and may not be changed by
22 following the procedure under subdivision (2).

23 (e) Except for deductions related to redevelopment or rehabilitation
24 of real property in a county containing a consolidated city, ~~or a~~
25 ~~deduction related to redevelopment or rehabilitation of real property~~
26 ~~initiated before December 31, 1987; in areas designated as economic~~
27 ~~revitalization areas before that date;~~ a deduction for the redevelopment
28 or rehabilitation of real property may not be approved for the following
29 facilities:

- 30 (1) Private or commercial golf course.
- 31 (2) Country club.
- 32 (3) Massage parlor.
- 33 (4) Tennis club.
- 34 (5) Skating facility (including roller skating, skateboarding, or ice
- 35 skating).
- 36 (6) Racquet sport facility (including any handball or racquetball
- 37 court).
- 38 (7) Hot tub facility.
- 39 (8) Suntan facility.
- 40 (9) Racetrack.
- 41 (10) Any facility the primary purpose of which is:
- 42 (A) retail food and beverage service;

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- 1 (B) automobile sales or service; or
- 2 (C) other retail;
- 3 unless the facility is located in an economic development target
- 4 area established under section 7 of this chapter.
- 5 (11) Residential, unless:
- 6 (A) the facility is a multifamily facility that contains at least
- 7 twenty percent (20%) of the units available for use by low and
- 8 moderate income individuals;
- 9 (B) the facility is located in an economic development target
- 10 area established under section 7 of this chapter; or
- 11 (C) the area is designated as a residentially distressed area.
- 12 (12) A package liquor store that holds a liquor dealer's permit
- 13 under IC 7.1-3-10 or any other entity that is required to operate
- 14 under a license issued under IC 7.1. ~~This subdivision does not~~
- 15 ~~apply to an applicant that:~~
- 16 ~~(A) was eligible for tax abatement under this chapter before~~
- 17 ~~July 1, 1995;~~
- 18 ~~(B) is described in IC 7.1-5-7-11; or~~
- 19 ~~(C) operates a facility under:~~
- 20 ~~(i) a beer wholesaler's permit under IC 7.1-3-3;~~
- 21 ~~(ii) a liquor wholesaler's permit under IC 7.1-3-8; or~~
- 22 ~~(iii) a wine wholesaler's permit under IC 7.1-3-13;~~
- 23 ~~for which the applicant claims a deduction under this chapter.~~
- 24 SECTION 5. IC 6-1.1-12.1-4, AS AMENDED BY P.L.112-2012,
- 25 SECTION 27, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 26 JULY 1, 2013]: Sec. 4. (a) Except as provided in section 2(i)(4) of this
- 27 chapter, and subject to section 15 of this chapter, the amount of the
- 28 deduction which the property owner is entitled to receive under section
- 29 3 of this chapter for a particular year equals the product of:
- 30 (1) the increase in the assessed value resulting from the
- 31 rehabilitation or redevelopment; multiplied by
- 32 (2) either of the following:
- 33 (A) The percentage prescribed in the table set forth in
- 34 subsection (d):
- 35 (B) a the percentage determined under section 17 of this
- 36 chapter. if the designating body elects to use an alternative
- 37 abatement schedule provided under section 17 of this chapter.
- 38 (b) The amount of the deduction determined under subsection (a)
- 39 shall be adjusted in accordance with this subsection in the following
- 40 circumstances:
- 41 (1) If:
- 42 (A) a general reassessment of real property under IC 6-1.1-4-4;

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1 or
 2 (B) a reassessment under a county's reassessment plan
 3 prepared under IC 6-1.1-4-4.2;
 4 occurs within the particular period of the deduction, the amount
 5 determined under subsection (a)(1) shall be adjusted to reflect the
 6 percentage increase or decrease in assessed valuation that resulted
 7 from the reassessment.
 8 (2) If an appeal of an assessment is approved that results in a
 9 reduction of the assessed value of the redeveloped or rehabilitated
 10 property, the amount of any deduction shall be adjusted to reflect
 11 the percentage decrease that resulted from the appeal.

12 The department of local government finance shall adopt rules under
 13 IC 4-22-2 to implement this subsection.

14 (c) Property owners who had an area designated an urban
 15 development area pursuant to an application filed prior to January 1,
 16 1979, are only entitled to the deduction for the first through the fifth
 17 years as provided in subsection (d)(10). In addition, property owners
 18 who are entitled to a deduction under this chapter pursuant to an
 19 application filed after December 31, 1978, and before January 1, 1986,
 20 are entitled to a deduction for the first through the tenth years, as
 21 provided in subsection (d)(10):

22 (d) The percentage that may be used in calculating the deduction
 23 under subsection (a)(2)(A) is as follows:

- 24 (1) For deductions allowed over a one (1) year period:
- | | | |
|----|-------------------|------------|
| 25 | YEAR OF DEDUCTION | PERCENTAGE |
| 26 | 1st | 100% |
- 27 (2) For deductions allowed over a two (2) year period:
- | | | |
|----|-------------------|------------|
| 28 | YEAR OF DEDUCTION | PERCENTAGE |
| 29 | 1st | 100% |
| 30 | 2nd | 50% |
- 31 (3) For deductions allowed over a three (3) year period:
- | | | |
|----|-------------------|------------|
| 32 | YEAR OF DEDUCTION | PERCENTAGE |
| 33 | 1st | 100% |
| 34 | 2nd | 66% |
| 35 | 3rd | 33% |
- 36 (4) For deductions allowed over a four (4) year period:
- | | | |
|----|-------------------|------------|
| 37 | YEAR OF DEDUCTION | PERCENTAGE |
| 38 | 1st | 100% |
| 39 | 2nd | 75% |
| 40 | 3rd | 50% |
| 41 | 4th | 25% |
- 42 (5) For deductions allowed over a five (5) year period:

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1	YEAR OF DEDUCTION	PERCENTAGE
2	1st	100%
3	2nd	80%
4	3rd	60%
5	4th	40%
6	5th	20%
7	(6) For deductions allowed over a six (6) year period:	
8	YEAR OF DEDUCTION	PERCENTAGE
9	1st	100%
10	2nd	85%
11	3rd	66%
12	4th	50%
13	5th	34%
14	6th	17%
15	(7) For deductions allowed over a seven (7) year period:	
16	YEAR OF DEDUCTION	PERCENTAGE
17	1st	100%
18	2nd	85%
19	3rd	71%
20	4th	57%
21	5th	43%
22	6th	29%
23	7th	14%
24	(8) For deductions allowed over an eight (8) year period:	
25	YEAR OF DEDUCTION	PERCENTAGE
26	1st	100%
27	2nd	88%
28	3rd	75%
29	4th	63%
30	5th	50%
31	6th	38%
32	7th	25%
33	8th	13%
34	(9) For deductions allowed over a nine (9) year period:	
35	YEAR OF DEDUCTION	PERCENTAGE
36	1st	100%
37	2nd	88%
38	3rd	77%
39	4th	66%
40	5th	55%
41	6th	44%
42	7th	33%

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1	8th	22%
2	9th	11%
3	(10) For deductions allowed over a ten (10) year period:	
4	YEAR OF DEDUCTION	PERCENTAGE
5	1st	100%
6	2nd	95%
7	3rd	80%
8	4th	65%
9	5th	50%
10	6th	40%
11	7th	30%
12	8th	20%
13	9th	10%
14	10th	5%

15 SECTION 6. IC 6-1.1-12.1-4.1, AS AMENDED BY P.L.219-2007,
 16 SECTION 30, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 17 JULY 1, 2013]: Sec. 4.1. (a) Section 4 of this chapter applies to
 18 economic revitalization areas that are not residentially distressed areas.

19 (b) This subsection applies to **deductions approved before July 1,**
 20 **2013, for the redevelopment or rehabilitation of property located**
 21 **in** economic revitalization areas that are residentially distressed areas.
 22 Subject to section 15 of this chapter, the amount of the deduction that
 23 a property owner is entitled to receive under section 3 of this chapter
 24 for a particular year equals the lesser of:

- 25 (1) the assessed value of the improvement to the property after the
- 26 rehabilitation or redevelopment has occurred; or
- 27 (2) the following amount:

28	TYPE OF DWELLING	AMOUNT
29	One (1) family dwelling	\$74,880
30	Two (2) family dwelling	\$106,080
31	Three (3) unit multifamily dwelling	\$156,000
32	Four (4) unit multifamily dwelling	\$199,680

33 (c) **This subsection applies to deductions approved after June**
 34 **30, 2013, for the redevelopment or rehabilitation of property**
 35 **located in economic revitalization areas that are residentially**
 36 **distressed areas. Subject to section 15 of this chapter, the amount**
 37 **of the deduction the property owner is entitled to receive under**
 38 **section 3 of this chapter in a residentially distressed area for a**
 39 **particular year equals the product of:**

- 40 (1) the increase in the assessed value resulting from the
- 41 rehabilitation or redevelopment; multiplied by
- 42 (2) the percentage determined under section 17 of this

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SECTION 7. IC 6-1.1-12.1-4.5, AS AMENDED BY P.L.6-2012, SECTION 41, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2013]: Sec. 4.5. (a) An applicant must provide a statement of benefits to the designating body. The applicant must provide the completed statement of benefits form to the designating body before the hearing specified in section 2.5(c) of this chapter or before the installation of the new manufacturing equipment, new research and development equipment, new logistical distribution equipment, or new information technology equipment for which the person desires to claim a deduction under this chapter. The department of local government finance shall prescribe a form for the statement of benefits. The statement of benefits must include the following information:

- (1) A description of the new manufacturing equipment, new research and development equipment, new logistical distribution equipment, or new information technology equipment that the person proposes to acquire.
- (2) With respect to:
 - (A) new manufacturing equipment not used to dispose of solid waste or hazardous waste by converting the solid waste or hazardous waste into energy or other useful products; and
 - (B) new research and development equipment, new logistical distribution equipment, or new information technology equipment;
 an estimate of the number of individuals who will be employed or whose employment will be retained by the person as a result of the installation of the new manufacturing equipment, new research and development equipment, new logistical distribution equipment, or new information technology equipment and an estimate of the annual salaries of these individuals.
- (3) An estimate of the cost of the new manufacturing equipment, new research and development equipment, new logistical distribution equipment, or new information technology equipment.
- (4) With respect to new manufacturing equipment used to dispose of solid waste or hazardous waste by converting the solid waste or hazardous waste into energy or other useful products, an estimate of the amount of solid waste or hazardous waste that will be converted into energy or other useful products by the new manufacturing equipment.

The statement of benefits may be incorporated in a designation application. Notwithstanding any other law, a statement of benefits is

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1 a public record that may be inspected and copied under IC 5-14-3-3.

2 (b) The designating body must review the statement of benefits
3 required under subsection (a). The designating body shall determine
4 whether an area should be designated an economic revitalization area
5 or whether the deduction shall be allowed, based on (and after it has
6 made) the following findings:

7 (1) Whether the estimate of the cost of the new manufacturing
8 equipment, new research and development equipment, new
9 logistical distribution equipment, or new information technology
10 equipment is reasonable for equipment of that type.

11 (2) With respect to:

12 (A) new manufacturing equipment not used to dispose of solid
13 waste or hazardous waste by converting the solid waste or
14 hazardous waste into energy or other useful products; and

15 (B) new research and development equipment, new logistical
16 distribution equipment, or new information technology
17 equipment;

18 whether the estimate of the number of individuals who will be
19 employed or whose employment will be retained can be
20 reasonably expected to result from the installation of the new
21 manufacturing equipment, new research and development
22 equipment, new logistical distribution equipment, or new
23 information technology equipment.

24 (3) Whether the estimate of the annual salaries of those
25 individuals who will be employed or whose employment will be
26 retained can be reasonably expected to result from the proposed
27 installation of new manufacturing equipment, new research and
28 development equipment, new logistical distribution equipment, or
29 new information technology equipment.

30 (4) With respect to new manufacturing equipment used to dispose
31 of solid waste or hazardous waste by converting the solid waste
32 or hazardous waste into energy or other useful products, whether
33 the estimate of the amount of solid waste or hazardous waste that
34 will be converted into energy or other useful products can be
35 reasonably expected to result from the installation of the new
36 manufacturing equipment.

37 (5) Whether any other benefits about which information was
38 requested are benefits that can be reasonably expected to result
39 from the proposed installation of new manufacturing equipment,
40 new research and development equipment, new logistical
41 distribution equipment, or new information technology
42 equipment.

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1 (6) Whether the totality of benefits is sufficient to justify the
 2 deduction.
 3 The designating body may not designate an area an economic
 4 revitalization area or approve the deduction unless it makes the
 5 findings required by this subsection in the affirmative.
 6 (c) Except as provided in subsection ~~(g)~~, **(f)**, and subject to
 7 subsection ~~(h)~~ **(g)** and section 15 of this chapter, an owner of new
 8 manufacturing equipment, new research and development equipment,
 9 new logistical distribution equipment, or new information technology
 10 equipment whose statement of benefits is approved ~~after June 30, 2000~~;
 11 is entitled to a deduction from the assessed value of that equipment for
 12 the number of years determined by the designating body under
 13 ~~subsection (f)~~ **section 17 of this chapter**. Except as provided in
 14 subsection ~~(e)~~ **(d)** and in section 2(i)(3) of this chapter, and subject to
 15 subsection ~~(h)~~ **(g)** and section 15 of this chapter, the amount of the
 16 deduction that an owner is entitled to for a particular year equals the
 17 product of:
 18 (1) the assessed value of the new manufacturing equipment, new
 19 research and development equipment, new logistical distribution
 20 equipment, or new information technology equipment in the year
 21 of deduction under the ~~appropriate table set forth in subsection~~
 22 ~~(d)~~ **abatement schedule established under section 17 of this**
 23 **chapter**; multiplied by
 24 (2) the percentage prescribed ~~in the appropriate table set forth in~~
 25 ~~subsection (d)~~ **by the designating body under section 17 of this**
 26 **chapter**.
 27 ~~(d) Unless the designating body elects to use an alternative~~
 28 ~~abatement schedule provided under section 17 of this chapter to~~
 29 ~~calculate a deduction, the percentage to be used in calculating the~~
 30 ~~deduction under subsection (e) is as follows:~~
 31 ~~(1) For deductions allowed over a one (1) year period:~~
 32 YEAR OF DEDUCTION PERCENTAGE
 33 1st 100%
 34 2nd and thereafter 0%
 35 ~~(2) For deductions allowed over a two (2) year period:~~
 36 YEAR OF DEDUCTION PERCENTAGE
 37 1st 100%
 38 2nd 50%
 39 3rd and thereafter 0%
 40 ~~(3) For deductions allowed over a three (3) year period:~~
 41 YEAR OF DEDUCTION PERCENTAGE
 42 1st 100%

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1	2nd	66%
2	3rd	33%
3	4th and thereafter	0%
4	(4) For deductions allowed over a four (4) year period:	
5	YEAR OF DEDUCTION	PERCENTAGE
6	1st	100%
7	2nd	75%
8	3rd	50%
9	4th	25%
10	5th and thereafter	0%
11	(5) For deductions allowed over a five (5) year period:	
12	YEAR OF DEDUCTION	PERCENTAGE
13	1st	100%
14	2nd	80%
15	3rd	60%
16	4th	40%
17	5th	20%
18	6th and thereafter	0%
19	(6) For deductions allowed over a six (6) year period:	
20	YEAR OF DEDUCTION	PERCENTAGE
21	1st	100%
22	2nd	85%
23	3rd	66%
24	4th	50%
25	5th	34%
26	6th	25%
27	7th and thereafter	0%
28	(7) For deductions allowed over a seven (7) year period:	
29	YEAR OF DEDUCTION	PERCENTAGE
30	1st	100%
31	2nd	85%
32	3rd	71%
33	4th	57%
34	5th	43%
35	6th	29%
36	7th	14%
37	8th and thereafter	0%
38	(8) For deductions allowed over an eight (8) year period:	
39	YEAR OF DEDUCTION	PERCENTAGE
40	1st	100%
41	2nd	88%
42	3rd	75%

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1	4th	63%
2	5th	50%
3	6th	38%
4	7th	25%
5	8th	13%
6	9th and thereafter	0%
7	(9) For deductions allowed over a nine (9) year period:	
8	YEAR OF DEDUCTION	PERCENTAGE
9	1st	100%
10	2nd	88%
11	3rd	77%
12	4th	66%
13	5th	55%
14	6th	44%
15	7th	33%
16	8th	22%
17	9th	11%
18	10th and thereafter	0%
19	(10) For deductions allowed over a ten (10) year period:	
20	YEAR OF DEDUCTION	PERCENTAGE
21	1st	100%
22	2nd	90%
23	3rd	80%
24	4th	70%
25	5th	60%
26	6th	50%
27	7th	40%
28	8th	30%
29	9th	20%
30	10th	10%
31	11th and thereafter	0%
32	(e) (d) With respect to new manufacturing equipment and new	
33	research and development equipment installed before March 2, 2001,	
34	the deduction under this section is the amount that causes the net	
35	assessed value of the property after the application of the deduction	
36	under this section to equal the net assessed value after the application	
37	of the deduction under this section that results from computing:	
38	(1) the deduction under this section as in effect on March 1, 2001;	
39	and	
40	(2) the assessed value of the property under 50 IAC 4.2, as in	
41	effect on March 1, 2001, or, in the case of property subject to	
42	IC 6-1.1-8, 50 IAC 5.1, as in effect on March 1, 2001.	

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1 ~~(f)~~ (e) For an economic revitalization area designated before July 1,
2 2000, the designating body shall determine whether a property owner
3 whose statement of benefits is approved after April 30, 1991, is entitled
4 to a deduction for five (5) or ten (10) years. For an economic
5 revitalization area designated after June 30, 2000, The designating
6 body shall determine the number of years the deduction is allowed
7 **under section 17 of this chapter.** However, the deduction may not be
8 allowed for more than ten (10) years. This determination shall be made:

9 (1) as part of the resolution adopted under section 2.5 of this
10 chapter; or

11 (2) by resolution adopted within sixty (60) days after receiving a
12 copy of a property owner's certified deduction application from
13 the county auditor. A certified copy of the resolution shall be sent
14 to the county auditor.

15 A determination about the number of years the deduction is allowed
16 that is made under subdivision (1) is final and may not be changed by
17 following the procedure under subdivision (2).

18 ~~(g)~~ (f) The owner of new manufacturing equipment that is directly
19 used to dispose of hazardous waste is not entitled to the deduction
20 provided by this section for a particular assessment year if during that
21 assessment year the owner:

22 (1) is convicted of a criminal violation under IC 13, including
23 IC 13-7-13-3 (repealed) or IC 13-7-13-4 (repealed); or

24 (2) is subject to an order or a consent decree with respect to
25 property located in Indiana based on a violation of a federal or
26 state rule, regulation, or statute governing the treatment, storage,
27 or disposal of hazardous wastes that had a major or moderate
28 potential for harm.

29 ~~(h)~~ (g) For purposes of subsection (c), the assessed value of new
30 manufacturing equipment, new research and development equipment,
31 new logistical distribution equipment, or new information technology
32 equipment that is part of an owner's assessable depreciable personal
33 property in a single taxing district subject to the valuation limitation in
34 50 IAC 4.2-4-9 or 50 IAC 5.1-6-9 is the product of:

35 (1) the assessed value of the equipment determined without
36 regard to the valuation limitation in 50 IAC 4.2-4-9 or 50
37 IAC 5.1-6-9; multiplied by

38 (2) the quotient of:

- 39 (A) the amount of the valuation limitation determined under
40 50 IAC 4.2-4-9 or 50 IAC 5.1-6-9 for all of the owner's
41 depreciable personal property in the taxing district; divided by
42 (B) the total true tax value of all of the owner's depreciable

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1 personal property in the taxing district that is subject to the
 2 valuation limitation in 50 IAC 4.2-4-9 or 50 IAC 5.1-6-9
 3 determined:

4 (i) under the depreciation schedules in the rules of the
 5 department of local government finance before any
 6 adjustment for abnormal obsolescence; and

7 (ii) without regard to the valuation limitation in 50
 8 IAC 4.2-4-9 or 50 IAC 5.1-6-9.

9 SECTION 8. IC 6-1.1-12.1-4.7, AS AMENDED BY P.L. 119-2012,
 10 SECTION 20, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 11 JULY 1, 2013]: Sec. 4.7. (a) Section ~~4.5(e)~~ **4.5(d)** of this chapter does
 12 not apply to new manufacturing equipment located in a township
 13 having a population of more than four thousand (4,000) but less than
 14 seven thousand (7,000) located in a county having a population of more
 15 than forty-two thousand (42,000) but less than forty-two thousand three
 16 hundred (42,300) if the total original cost of all new manufacturing
 17 equipment placed into service by the owner during the preceding sixty
 18 (60) months exceeds fifty million dollars (\$50,000,000), and if the
 19 economic revitalization area in which the new manufacturing
 20 equipment was installed was approved by the designating body before
 21 September 1, 1994.

22 (b) Section ~~4.5(e)~~ **4.5(d)** of this chapter does not apply to new
 23 manufacturing equipment located in a county having a population of
 24 more than thirty-three thousand five hundred (33,500) but less than
 25 thirty-four thousand (34,000) if:

26 (1) the total original cost of all new manufacturing equipment
 27 placed into service in the county by the owner exceeds five
 28 hundred million dollars (\$500,000,000); and

29 (2) the economic revitalization area in which the new
 30 manufacturing equipment was installed was approved by the
 31 designating body before January 1, 2001.

32 (c) A deduction under section 4.5(c) of this chapter is not allowed
 33 with respect to new manufacturing equipment described in subsection
 34 (b) in the first year the deduction is claimed or in subsequent years as
 35 permitted by section 4.5(c) of this chapter to the extent the deduction
 36 would cause the assessed value of all real property and personal
 37 property of the owner in the taxing district to be less than the
 38 incremental net assessed value for that year.

39 (d) The following apply for purposes of subsection (c):

40 (1) A deduction under section 4.5(c) of this chapter shall be
 41 disallowed only with respect to new manufacturing equipment
 42 installed after March 1, 2000.

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- 1 (2) "Incremental net assessed value" means the sum of:
 2 (A) the net assessed value of real property and depreciable
 3 personal property from which property tax revenues are
 4 required to be held in trust and pledged for the benefit of the
 5 owners of bonds issued by the redevelopment commission of
 6 a county described in subsection (b) under resolutions adopted
 7 November 16, 1998, and July 13, 2000 (as amended
 8 November 27, 2000); plus
 9 (B) fifty-four million four hundred eighty-one thousand seven
 10 hundred seventy dollars (\$54,481,770).
 11 (3) The assessed value of real property and personal property of
 12 the owner shall be determined after the deductions provided by
 13 sections 3 and 4.5 of this chapter.
 14 (4) The personal property of the owner shall include inventory.
 15 (5) The amount of deductions provided by section 4.5 of this
 16 chapter with respect to new manufacturing equipment that was
 17 installed on or before March 1, 2000, shall be increased from
 18 thirty-three and one-third percent (33 1/3%) of true tax value to
 19 one hundred percent (100%) of true tax value for assessment
 20 dates after February 28, 2001.
 21 (e) A deduction not fully allowed under subsection (c) in the first
 22 year the deduction is claimed or in a subsequent year permitted by
 23 section 4.5 of this chapter shall be carried over and allowed as a
 24 deduction in succeeding years. A deduction that is carried over to a
 25 year but is not allowed in that year under this subsection shall be
 26 carried over and allowed as a deduction in succeeding years. The
 27 following apply for purposes of this subsection:
 28 (1) A deduction that is carried over to a succeeding year is not
 29 allowed in that year to the extent that the deduction, together
 30 with:
 31 (A) deductions otherwise allowed under section 3 of this
 32 chapter;
 33 (B) deductions otherwise allowed under section 4.5 of this
 34 chapter; and
 35 (C) other deductions carried over to the year under this
 36 subsection;
 37 would cause the assessed value of all real property and personal
 38 property of the owner in the taxing district to be less than the
 39 incremental net assessed value for that year.
 40 (2) Each time a deduction is carried over to a succeeding year, the
 41 deduction shall be reduced by the amount of the deduction that
 42 was allowed in the immediately preceding year.

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1 (3) A deduction may not be carried over to a succeeding year
2 under this subsection if such year is after the period specified in
3 section 4.5(c) of this chapter or the period specified in a
4 resolution adopted by the designating body under section ~~4.5(g)~~
5 **4.5(f)** of this chapter.

6 SECTION 9. IC 6-1.1-12.1-4.8, AS AMENDED BY P.L.112-2012,
7 SECTION 28, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
8 JULY 1, 2013]: Sec. 4.8. (a) A property owner that is an applicant for
9 a deduction under this section must provide a statement of benefits to
10 the designating body.

11 (b) If the designating body requires information from the property
12 owner for the designating body's use in deciding whether to designate
13 an economic revitalization area, the property owner must provide the
14 completed statement of benefits form to the designating body before
15 the hearing required by section 2.5(c) of this chapter. Otherwise, the
16 property owner must submit the completed statement of benefits form
17 to the designating body before the occupation of the eligible vacant
18 building for which the property owner desires to claim a deduction.

19 (c) The department of local government finance shall prescribe a
20 form for the statement of benefits. The statement of benefits must
21 include the following information:

22 (1) A description of the eligible vacant building that the property
23 owner or a tenant of the property owner will occupy.

24 (2) An estimate of the number of individuals who will be
25 employed or whose employment will be retained by the property
26 owner or the tenant as a result of the occupation of the eligible
27 vacant building, and an estimate of the annual salaries of those
28 individuals.

29 (3) Information regarding efforts by the owner or a previous
30 owner to sell, lease, or rent the eligible vacant building during the
31 period the eligible vacant building was unoccupied.

32 (4) Information regarding the amount for which the eligible
33 vacant building was offered for sale, lease, or rent by the owner
34 or a previous owner during the period the eligible vacant building
35 was unoccupied.

36 (d) With the approval of the designating body, the statement of
37 benefits may be incorporated in a designation application. A statement
38 of benefits is a public record that may be inspected and copied under
39 IC 5-14-3.

40 (e) The designating body must review the statement of benefits
41 required by subsection (a). The designating body shall determine
42 whether an area should be designated an economic revitalization area

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1 or whether a deduction should be allowed, after the designating body
2 has made the following findings:

3 (1) Whether the estimate of the number of individuals who will be
4 employed or whose employment will be retained can be
5 reasonably expected to result from the proposed occupation of the
6 eligible vacant building.

7 (2) Whether the estimate of the annual salaries of those
8 individuals who will be employed or whose employment will be
9 retained can be reasonably expected to result from the proposed
10 occupation of the eligible vacant building.

11 (3) Whether any other benefits about which information was
12 requested are benefits that can be reasonably expected to result
13 from the proposed occupation of the eligible vacant building.

14 (4) Whether the occupation of the eligible vacant building will
15 increase the tax base and assist in the rehabilitation of the
16 economic revitalization area.

17 (5) Whether the totality of benefits is sufficient to justify the
18 deduction.

19 A designating body may not designate an area an economic
20 revitalization area or approve a deduction under this section unless the
21 findings required by this subsection are made in the affirmative.

22 (f) Except as otherwise provided in this section, the owner of an
23 eligible vacant building located in an economic revitalization area is
24 entitled to a deduction from the assessed value of the building if the
25 property owner or a tenant of the property owner occupies the eligible
26 vacant building and uses it for commercial or industrial purposes. The
27 property owner is entitled to the deduction:

28 (1) for the first year in which the property owner or a tenant of the
29 property owner occupies the eligible vacant building and uses it
30 for commercial or industrial purposes; and

31 (2) for subsequent years determined under subsection (g).

32 (g) The designating body shall determine **under section 17 of this**
33 **chapter** the number of years for which a property owner is entitled to
34 a deduction under this section. ~~However, subject to section 15 of this~~
35 ~~chapter, the deduction may not be allowed for more than two (2) years.~~
36 This determination shall be made:

37 (1) as part of the resolution adopted under section 2.5 of this
38 chapter; or

39 (2) by a resolution adopted not more than sixty (60) days after the
40 designating body receives a copy of the property owner's
41 deduction application from the county auditor.

42 A certified copy of a resolution under subdivision (2) shall be sent to

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1 the county auditor, who shall make the deduction as provided in section
 2 5.3 of this chapter. A determination concerning the number of years the
 3 deduction is allowed that is made under subdivision (1) is final and
 4 may not be changed by using the procedure under subdivision (2).

5 (h) Except as provided in section 2(i)(5) of this chapter, ~~and~~
 6 ~~subsection (k)~~; and subject to section 15 of this chapter, the amount of
 7 the deduction the property owner is entitled to receive under this
 8 section for a particular year equals the product of:

9 (1) the assessed value of the building or part of the building that
 10 is occupied by the property owner or a tenant of the property
 11 owner; multiplied by

12 (2) the percentage ~~set forth in the table in subsection (i)~~:
 13 **determined by the designating body under section 17 of this**
 14 **chapter.**

15 (i) ~~The percentage to be used in calculating the deduction under~~
 16 ~~subsection (h) is as follows:~~

17 (1) ~~For deductions allowed over a one (1) year period:~~

YEAR OF DEDUCTION	PERCENTAGE
1st	100%

20 (2) ~~For deductions allowed over a two (2) year period:~~

YEAR OF DEDUCTION	PERCENTAGE
1st	100%
2nd	50%

24 (j) (i) The amount of the deduction determined under subsection (h)
 25 shall be adjusted in accordance with this subsection in the following
 26 circumstances:

27 (1) If:

28 (A) a general reassessment of real property under IC 6-1.1-4-4;
 29 or

30 (B) a reassessment under a county's reassessment plan
 31 prepared under IC 6-1.1-4-4.2;

32 occurs within the period of the deduction, the amount of the
 33 assessed value determined under subsection (h)(1) shall be
 34 adjusted to reflect the percentage increase or decrease in assessed
 35 valuation that resulted from the reassessment.

36 (2) If an appeal of an assessment is approved and results in a
 37 reduction of the assessed value of the property, the amount of a
 38 deduction under this section shall be adjusted to reflect the
 39 percentage decrease that resulted from the appeal.

40 (k) ~~The maximum amount of a deduction under this section may not~~
 41 ~~exceed the lesser of:~~

42 (1) the annual amount for which the eligible vacant building was

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1 offered for lease or rent by the owner or a previous owner during
 2 the period the eligible vacant building was unoccupied; or
 3 (2) an amount, as determined by the designating body in its
 4 discretion, that is equal to the annual amount for which similar
 5 buildings in the county or contiguous counties were leased or
 6 rented or offered for lease or rent during the period the eligible
 7 vacant building was unoccupied.

8 (†) (j) The department of local government finance may adopt rules
 9 under IC 4-22-2 to implement this section.

10 SECTION 10. IC 6-1.1-12.1-5, AS AMENDED BY P.L.146-2008,
 11 SECTION 124, IS AMENDED TO READ AS FOLLOWS
 12 [EFFECTIVE JULY 1, 2013]: Sec. 5. (a) A property owner who desires
 13 to obtain the deduction provided by section 3 of this chapter must file
 14 a certified deduction application, on forms prescribed by the
 15 department of local government finance, with the auditor of the county
 16 in which the property is located. Except as otherwise provided in
 17 subsection (b) or (e), the deduction application must be filed before
 18 May 10 of the year in which the addition to assessed valuation is made.

19 (b) If notice of the addition to assessed valuation or new assessment
 20 for any year is not given to the property owner before April 10 of that
 21 year, the deduction application required by this section may be filed not
 22 later than thirty (30) days after the date such a notice is mailed to the
 23 property owner at the address shown on the records of the township or
 24 county assessor.

25 (c) The deduction application required by this section must contain
 26 the following information:

- 27 (1) The name of the property owner.
- 28 (2) A description of the property for which a deduction is claimed
- 29 in sufficient detail to afford identification.
- 30 (3) The assessed value of the improvements before rehabilitation.
- 31 (4) The increase in the assessed value of improvements resulting
- 32 from the rehabilitation.
- 33 (5) The assessed value of the new structure in the case of
- 34 redevelopment.
- 35 (6) The amount of the deduction claimed for the first year of the
- 36 deduction.
- 37 (7) If the deduction application is for a deduction in a
- 38 residentially distressed area, the assessed value of the
- 39 improvement or new structure for which the deduction is claimed.

40 (d) A deduction application filed under subsection (a) or (b) is
 41 applicable for the year in which the addition to assessed value or
 42 assessment of a new structure is made and in the following years the

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1 deduction is allowed without any additional deduction application
 2 being filed. However, property owners who had an area designated an
 3 urban development area pursuant to a deduction application filed prior
 4 to January 1, 1979, are only entitled to a deduction for a five (5) year
 5 period. In addition, property owners who are entitled to a deduction
 6 under this chapter pursuant to a deduction application filed after
 7 December 31, 1978, and before January 1, 1986, are entitled to a
 8 deduction for a ten (10) year period.

9 (e) A property owner who desires to obtain the deduction provided
 10 by section 3 of this chapter but who has failed to file a deduction
 11 application within the dates prescribed in subsection (a) or (b) may file
 12 a deduction application between March 1 and May 10 of a subsequent
 13 year which shall be applicable for the year filed and the subsequent
 14 years without any additional deduction application being filed for the
 15 amounts of the deduction which would be applicable to such years
 16 pursuant to section 4 of this chapter if such a deduction application had
 17 been filed in accordance with subsection (a) or (b).

18 (f) Subject to subsection (i), the county auditor shall act as follows:

19 (1) If a determination about the number of years the deduction is
 20 allowed has been made in the resolution adopted under section
 21 2.5 of this chapter, the county auditor shall make the appropriate
 22 deduction.

23 (2) If a determination about the number of years the deduction is
 24 allowed has not been made in the resolution adopted under
 25 section 2.5 of this chapter, the county auditor shall send a copy of
 26 the deduction application to the designating body. Upon receipt
 27 of the resolution stating the number of years the deduction will be
 28 allowed, the county auditor shall make the appropriate deduction.

29 (3) If the deduction application is for rehabilitation or
 30 redevelopment in a residentially distressed area, the county
 31 auditor shall make the appropriate deduction.

32 (g) The amount and period of the deduction provided for property
 33 by section 3 of this chapter are not affected by a change in the
 34 ownership of the property if the new owner of the property:

35 (1) continues to use the property in compliance with any
 36 standards established under section 2(g) of this chapter; and

37 (2) files an application in the manner provided by subsection (e).

38 (h) The township or county assessor shall include a notice of the
 39 deadlines for filing a deduction application under subsections (a) and
 40 (b) with each notice to a property owner of an addition to assessed
 41 value or of a new assessment.

42 (i) Before the county auditor acts under subsection (f), the county

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1 auditor may request that the township assessor of the township in
2 which the property is located, or the county assessor if there is no
3 township assessor for the township, review the deduction application.

4 (j) A property owner may appeal a determination of the county
5 auditor under subsection (f) to deny or alter the amount of the
6 deduction by requesting in writing a preliminary conference with the
7 county auditor not more than forty-five (45) days after the county
8 auditor gives the person notice of the determination. An appeal
9 initiated under this subsection is processed and determined in the same
10 manner that an appeal is processed and determined under IC 6-1.1-15.

11 SECTION 11. IC 6-1.1-12.1-5.1, AS AMENDED BY P.L. 193-2005,
12 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
13 JULY 1, 2013]: Sec. 5.1. (a) This subsection applies to

- 14 (+) all deductions under section 3 of this chapter for property
15 located in a residentially distressed area. ~~and~~
- 16 (2) ~~any other deductions for which a statement of benefits was~~
17 ~~approved under section 3 of this chapter before July 1, 1991.~~

18 In addition to the requirements of section 5(c) of this chapter, a
19 deduction application filed under section 5 of this chapter must contain
20 information showing the extent to which there has been compliance
21 with the statement of benefits approved under section 3 of this chapter.
22 ~~Failure to comply with a statement of benefits approved before July 1,~~
23 ~~1991, may not be a basis for rejecting a deduction application.~~

24 (b) This subsection applies to each deduction (other than a
25 deduction for property located in a residentially distressed area) for
26 which a statement of benefits was approved under section 3 of this
27 chapter. ~~after June 30, 1991.~~ In addition to the requirements of section
28 5(c) of this chapter, a property owner who files a deduction application
29 under section 5 of this chapter must provide the county auditor and the
30 designating body with information showing the extent to which there
31 has been compliance with the statement of benefits approved under
32 section 3 of this chapter. This information must be included in the
33 deduction application and must also be updated each year in which the
34 deduction is applicable at the same time that the property owner is
35 required to file a personal property tax return in the taxing district in
36 which the property for which the deduction was granted is located. If
37 the taxpayer does not file a personal property tax return in the taxing
38 district in which the property is located, the information must be
39 provided before May 15.

40 (c) Notwithstanding IC 5-14-3 and IC 6-1.1-35-9, the following
41 information is a public record if filed under this section:

- 42 (1) The name and address of the taxpayer.

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- 1 (2) The location and description of the property for which the
- 2 deduction was granted.
- 3 (3) Any information concerning the number of employees at the
- 4 property for which the deduction was granted, including estimated
- 5 totals that were provided as part of the statement of benefits.
- 6 (4) Any information concerning the total of the salaries paid to
- 7 those employees, including estimated totals that were provided as
- 8 part of the statement of benefits.
- 9 (5) Any information concerning the assessed value of the
- 10 property, including estimates that were provided as part of the
- 11 statement of benefits.

12 (d) The following information is confidential if filed under this
 13 section:

- 14 (1) Any information concerning the specific salaries paid to
- 15 individual employees by the property owner.
- 16 (2) Any information concerning the cost of the property.

17 SECTION 12. IC 6-1.1-12.1-5.4, AS AMENDED BY P.L.146-2008,
 18 SECTION 126, IS AMENDED TO READ AS FOLLOWS
 19 [EFFECTIVE JULY 1, 2013]: Sec. 5.4. (a) A person that desires to
 20 obtain the deduction provided by section 4.5 of this chapter must file
 21 a certified deduction schedule with the person's personal property
 22 return on a form prescribed by the department of local government
 23 finance with the township assessor of the township in which the new
 24 manufacturing equipment, new research and development equipment,
 25 new logistical distribution equipment, or new information technology
 26 equipment is located, or with the county assessor if there is no
 27 township assessor for the township. Except as provided in subsection
 28 (e), the deduction is applied in the amount claimed in a certified
 29 schedule that a person files with:

- 30 (1) a timely personal property return under IC 6-1.1-3-7(a) or
- 31 IC 6-1.1-3-7(b); or
- 32 (2) a timely amended personal property return under
- 33 IC 6-1.1-3-7.5.

34 The township or county assessor shall forward to the county auditor a
 35 copy of each certified deduction schedule filed under this subsection.
 36 The township assessor shall forward to the county assessor a copy of
 37 each certified deduction schedule filed with the township assessor
 38 under this subsection.

39 (b) The deduction schedule required by this section must contain the
 40 following information:

- 41 (1) The name of the owner of the new manufacturing equipment,
- 42 new research and development equipment, new logistical

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1 distribution equipment, or new information technology
 2 equipment.
 3 (2) A description of the new manufacturing equipment, new
 4 research and development equipment, new logistical distribution
 5 equipment, or new information technology equipment.
 6 (3) The amount of the deduction claimed for the first year of the
 7 deduction.
 8 (c) ~~This subsection applies to a deduction schedule with respect to~~
 9 ~~new manufacturing equipment, new research and development~~
 10 ~~equipment, new logistical distribution equipment, or new information~~
 11 ~~technology equipment for which a statement of benefits was initially~~
 12 ~~approved after April 30, 1991.~~ If a determination about the number of
 13 years the deduction is allowed has not been made in the resolution
 14 adopted under section 2.5 of this chapter, the county auditor shall ~~send~~
 15 ~~a copy of the deduction schedule to~~ **notify** the designating body, and
 16 the designating body shall adopt a resolution under section ~~4.5(f)(2)~~
 17 **4.5(e)(2)** of this chapter.
 18 (d) A deduction schedule must be filed under this section in the year
 19 in which the new manufacturing equipment, new research and
 20 development equipment, new logistical distribution equipment, or new
 21 information technology equipment is installed and in each of the
 22 immediately succeeding years the deduction is allowed.
 23 (e) The township assessor, or the county assessor if there is no
 24 township assessor for the township, may:
 25 (1) review the deduction schedule; and
 26 (2) before the March 1 that next succeeds the assessment date for
 27 which the deduction is claimed, deny or alter the amount of the
 28 deduction.
 29 If the township or county assessor does not deny the deduction, the
 30 county auditor shall apply the deduction in the amount claimed in the
 31 deduction schedule or in the amount as altered by the township or
 32 county assessor. A township or county assessor who denies a deduction
 33 under this subsection or alters the amount of the deduction shall notify
 34 the person that claimed the deduction and the county auditor of the
 35 assessor's action. The county auditor shall notify the designating body
 36 and the county property tax assessment board of appeals of all
 37 deductions applied under this section.
 38 (f) If the ownership of new manufacturing equipment, new research
 39 and development equipment, new logistical distribution equipment, or
 40 new information technology equipment changes, the deduction
 41 provided under section 4.5 of this chapter continues to apply to that
 42 equipment if the new owner:

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1 (1) continues to use the equipment in compliance with any
 2 standards established under section 2(g) of this chapter; and
 3 (2) files the deduction schedules required by this section.
 4 (g) The amount of the deduction is the percentage under section 4.5
 5 of this chapter that would have applied if the ownership of the property
 6 had not changed multiplied by the assessed value of the equipment for
 7 the year the deduction is claimed by the new owner.
 8 (h) A person may appeal a determination of the township or county
 9 assessor under subsection (e) to deny or alter the amount of the
 10 deduction by requesting in writing a preliminary conference with the
 11 township or county assessor not more than forty-five (45) days after the
 12 township or county assessor gives the person notice of the
 13 determination. Except as provided in subsection (i), an appeal initiated
 14 under this subsection is processed and determined in the same manner
 15 that an appeal is processed and determined under IC 6-1.1-15.
 16 (i) The county assessor is recused from any action the county
 17 property tax assessment board of appeals takes with respect to an
 18 appeal under subsection (h) of a determination by the county assessor.
 19 SECTION 13. IC 6-1.1-12.1-5.6, AS AMENDED BY P.L.1-2006,
 20 SECTION 134, IS AMENDED TO READ AS FOLLOWS
 21 [EFFECTIVE JULY 1, 2013]: Sec. 5.6. ~~(a) This subsection applies to~~
 22 ~~a property owner whose statement of benefits was approved under~~
 23 ~~section 4.5 of this chapter before July 1, 1991. In addition to the~~
 24 ~~requirements of section 5.4(b) of this chapter, a deduction schedule~~
 25 ~~filed under section 5.4 of this chapter must contain information~~
 26 ~~showing the extent to which there has been compliance with the~~
 27 ~~statement of benefits approved under section 4.5 of this chapter.~~
 28 ~~Failure to comply with a statement of benefits approved before July 1,~~
 29 ~~1991, may not be a basis for rejecting a deduction schedule.~~
 30 ~~(b) This subsection applies to a property owner whose statement of~~
 31 ~~benefits was approved under section 4.5 of this chapter after June 30,~~
 32 ~~1991. (a) In addition to the requirements of section 5.4(b) of this~~
 33 ~~chapter, a property owner who files a deduction schedule under section~~
 34 ~~5.4 of this chapter must provide the county auditor and the designating~~
 35 ~~body with information showing the extent to which there has been~~
 36 ~~compliance with the statement of benefits approved under section 4.5~~
 37 ~~of this chapter.~~
 38 ~~(e) (b) Notwithstanding IC 5-14-3 and IC 6-1.1-35-9, the following~~
 39 ~~information is a public record if filed under this section:~~
 40 (1) The name and address of the taxpayer.
 41 (2) The location and description of the new manufacturing
 42 equipment, new research and development equipment, new

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- 1 logistical distribution equipment, or new information technology
- 2 equipment for which the deduction was granted.
- 3 (3) Any information concerning the number of employees at the
- 4 facility where the new manufacturing equipment, new research
- 5 and development equipment, new logistical distribution
- 6 equipment, or new information technology equipment is located,
- 7 including estimated totals that were provided as part of the
- 8 statement of benefits.
- 9 (4) Any information concerning the total of the salaries paid to
- 10 those employees, including estimated totals that were provided as
- 11 part of the statement of benefits.
- 12 (5) Any information concerning the amount of solid waste or
- 13 hazardous waste converted into energy or other useful products by
- 14 the new manufacturing equipment.
- 15 (6) Any information concerning the assessed value of the new
- 16 manufacturing equipment, new research and development
- 17 equipment, new logistical distribution equipment, or new
- 18 information technology equipment including estimates that were
- 19 provided as part of the statement of benefits.
- 20 ~~(d)~~ (c) The following information is confidential if filed under this
- 21 section:
- 22 (1) Any information concerning the specific salaries paid to
- 23 individual employees by the owner of the new manufacturing
- 24 equipment, new research and development equipment, new
- 25 logistical distribution equipment, or new information technology
- 26 equipment.
- 27 (2) Any information concerning the cost of the new
- 28 manufacturing equipment, new research and development
- 29 equipment, new logistical distribution equipment, or new
- 30 information technology equipment.
- 31 SECTION 14. IC 6-1.1-12.1-5.9, AS AMENDED BY P.L.146-2008,
- 32 SECTION 128, IS AMENDED TO READ AS FOLLOWS
- 33 [EFFECTIVE JULY 1, 2013]: Sec. 5.9. (a) This section does not apply
- 34 to
- 35 ~~(1)~~ a deduction under section 3 of this chapter for property
- 36 located in a residentially distressed area. ~~or~~
- 37 ~~(2) any other deduction under section 3 or 4.5 of this chapter for~~
- 38 ~~which a statement of benefits was approved before July 1, 1991.~~
- 39 (b) Not later than forty-five (45) days after receipt of the information
- 40 described in section 5.1, 5.3(j), or 5.6 of this chapter, the designating
- 41 body may determine whether the property owner has substantially
- 42 complied with the statement of benefits approved under section 3, 4.5,

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1 or 4.8 of this chapter. If the designating body determines that the
 2 property owner has not substantially complied with the statement of
 3 benefits and that the failure to substantially comply was not caused by
 4 factors beyond the control of the property owner (such as declines in
 5 demand for the property owner's products or services), the designating
 6 body shall mail a written notice to the property owner. The written
 7 notice must include the following provisions:

8 (1) An explanation of the reasons for the designating body's
 9 determination.

10 (2) The date, time, and place of a hearing to be conducted by the
 11 designating body for the purpose of further considering the
 12 property owner's compliance with the statement of benefits. The
 13 date of the hearing may not be more than thirty (30) days after the
 14 date on which the notice is mailed.

15 (c) On the date specified in the notice described in subsection
 16 (b)(2), the designating body shall conduct a hearing for the purpose of
 17 further considering the property owner's compliance with the statement
 18 of benefits. Based on the information presented at the hearing by the
 19 property owner and other interested parties, the designating body shall
 20 again determine whether the property owner has made reasonable
 21 efforts to substantially comply with the statement of benefits and
 22 whether any failure to substantially comply was caused by factors
 23 beyond the control of the property owner. If the designating body
 24 determines that the property owner has not made reasonable efforts to
 25 comply with the statement of benefits, the designating body shall adopt
 26 a resolution terminating the property owner's deduction under section
 27 3, 4.5, or 4.8 of this chapter. If the designating body adopts such a
 28 resolution, the deduction does not apply to the next installment of
 29 property taxes owed by the property owner or to any subsequent
 30 installment of property taxes.

31 (d) If the designating body adopts a resolution terminating a
 32 deduction under subsection (c), the designating body shall immediately
 33 mail a certified copy of the resolution to:

- 34 (1) the property owner;
- 35 (2) the county auditor; and
- 36 (3) the county assessor.

37 The county auditor shall remove the deduction from the tax duplicate
 38 and shall notify the county treasurer of the termination of the
 39 deduction. If the designating body's resolution is adopted after the
 40 county treasurer has mailed the statement required by IC 6-1.1-22-8.1,
 41 the county treasurer shall immediately mail the property owner a
 42 revised statement that reflects the termination of the deduction.



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1 (e) A property owner whose deduction is terminated by the
 2 designating body under this section may appeal the designating body's
 3 decision by filing a complaint in the office of the clerk of the circuit or
 4 superior court together with a bond conditioned to pay the costs of the
 5 appeal if the appeal is determined against the property owner. An
 6 appeal under this subsection shall be promptly heard by the court
 7 without a jury and determined within thirty (30) days after the time of
 8 the filing of the appeal. The court shall hear evidence on the appeal and
 9 may confirm the action of the designating body or sustain the appeal.
 10 The judgment of the court is final and conclusive unless an appeal is
 11 taken as in other civil actions.

12 (f) If an appeal under subsection (e) is pending, the taxes resulting
 13 from the termination of the deduction are not due until after the appeal
 14 is finally adjudicated and the termination of the deduction is finally
 15 determined.

16 SECTION 15. IC 6-1.1-12.1-11.3, AS AMENDED BY
 17 P.L.173-2011, SECTION 7, IS AMENDED TO READ AS FOLLOWS
 18 [EFFECTIVE JULY 1, 2013]: Sec. 11.3. (a) This section applies only
 19 to the following requirements:

20 (1) Failure to provide the completed statement of benefits form to
 21 the designating body before the hearing required by section 2.5(c)
 22 of this chapter.

23 (2) Failure to submit the completed statement of benefits form to
 24 the designating body before the:

25 (A) initiation of the redevelopment or rehabilitation;

26 (B) installation of new manufacturing equipment, new
 27 research and development equipment, new logistical
 28 distribution equipment, or new information technology
 29 equipment; or

30 (C) occupation of an eligible vacant building;

31 for which the person desires to claim a deduction under this
 32 chapter.

33 (3) Failure to designate an area as an economic revitalization area
 34 before the initiation of the:

35 (A) redevelopment;

36 (B) installation of new manufacturing equipment, new
 37 research and development equipment, new logistical
 38 distribution equipment, or new information technology
 39 equipment;

40 (C) rehabilitation; or

41 (D) occupation of an eligible vacant building;

42 for which the person desires to claim a deduction under this

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1 chapter.

2 (4) Failure to make the required findings of fact before

3 designating an area as an economic revitalization area or

4 authorizing a deduction for new manufacturing equipment, new

5 research and development equipment, new logistical distribution

6 equipment, or new information technology equipment under

7 section 2, 3, 4.5, or 4.8 of this chapter.

8 (5) Failure to file a:

9 (A) timely; or

10 (B) complete;

11 deduction application under section 5, 5.3, or 5.4 of this chapter.

12 ~~(6) Failure to designate an area as a designated downtown area~~

13 ~~under section 16 of this chapter before enhancing a deduction~~

14 ~~under section 16 of this chapter.~~

15 (b) This section does not grant a designating body the authority to

16 exempt a person from filing a statement of benefits or exempt a

17 designating body from making findings of fact.

18 (c) A designating body may by resolution waive noncompliance

19 described under subsection (a) under the terms and conditions specified

20 in the resolution. Before adopting a waiver under this subsection, the

21 designating body shall conduct a public hearing on the waiver.

22 SECTION 16. IC 6-1.1-12.1-16 IS REPEALED [EFFECTIVE JULY

23 1, 2013]. ~~Sec. 16: (a) This section applies to property that is the subject~~

24 ~~of a deduction application filed after June 30, 2011, if:~~

25 ~~(1) property that is the subject of a deduction application is an~~

26 ~~eligible vacant building with at least fifty thousand (50,000)~~

27 ~~square feet and, as a condition of obtaining the deduction, the~~

28 ~~deduction applicant agrees to use the eligible vacant building for~~

29 ~~industrial or commercial purposes;~~

30 ~~(2) as a condition of obtaining a deduction under this chapter, the~~

31 ~~deduction applicant agrees to invest at least ten million dollars~~

32 ~~(\$10,000,000) in property that is eligible for a deduction under~~

33 ~~this chapter;~~

34 ~~(3) property that is the subject of a deduction application consists~~

35 ~~of a proposed rehabilitation of property in a designated downtown~~

36 ~~area; or~~

37 ~~(4) the property that is the subject of a deduction application is or~~

38 ~~will be located in a county in which:~~

39 ~~(A) the average annualized unemployment rate in each of the~~

40 ~~two (2) calendar years immediately preceding the current~~

41 ~~calendar year exceeded the statewide average annualized~~

42 ~~unemployment rate for each of the same calendar years by at~~

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- 1 least two percent (2%); or
 2 (B) the average annualized unemployment rate in the
 3 immediately preceding calendar year was at least double the
 4 statewide average annualized unemployment rate for the same
 5 period;
 6 as determined by the department of workforce development.
- 7 (b) A designating body may enhance under this section the
 8 deduction schedule that would otherwise apply to tangible property
 9 described in subsection (a) to provide a deduction equal to one hundred
 10 percent (100%) of the gross assessed value of property for up to three
 11 (3) consecutive years, beginning with the first year that the property is
 12 eligible for a deduction under this chapter. If the deduction application
 13 is for a deduction under section 4.8 of this chapter, the designating
 14 body may extend under this section the maximum term of the
 15 deduction from two (2) to three (3) years.
- 16 (c) A designating body may enhance the deduction as provided in
 17 subsection (b) in the resolution designating the number of years to
 18 which a deduction allowed under section 3, 4.5, or 4.8 of this chapter
 19 applies. The designating body may grant an enhancement under the
 20 terms and conditions specified in the resolution. Before adopting a
 21 resolution under this subsection, the designating body shall conduct a
 22 public hearing on the resolution. Notice of the public hearing shall be
 23 published in accordance with IC 5-3-1. In addition, the designating
 24 body shall notify each taxing unit within the taxing district where the
 25 property is or will be located of the proposed resolution, including the
 26 date and time of the public hearing. If a resolution is adopted under this
 27 section, the designating body shall deliver a copy of the adopted
 28 resolution to the:
- 29 (1) county auditor; and
 30 (2) township assessor for the township where the property is
 31 located or, if there is no township assessor, the county assessor;
 32 within thirty (30) days after its adoption.
- 33 (d) A public hearing or resolution under this section may be
 34 combined with any other public hearing or resolution required under
 35 this chapter.
- 36 (e) For purposes of applying this section to property described in
 37 subsection (a)(3), the fiscal body of a city or town may by ordinance
 38 designate any part of:
- 39 (1) the central business district of a city or town; or
 40 (2) any commercial or mixed use area within a neighborhood of
 41 a city or town that has traditionally served, since the founding of
 42 the community, as the retail service and communal focal point

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1 within the community;
 2 as a designated downtown area. The ordinance must include a
 3 simplified description of the boundaries of the area by describing its
 4 location in relation to public ways, streams, or otherwise. The fiscal
 5 body may designate a maximum of fifteen percent (15%) of the total
 6 geographic territory of the city or town as a designated downtown area.
 7 A resolution adopted under subsection (c) concerning property
 8 described in subsection (a)(3) must include a certified copy of the
 9 ordinance adopted under this subsection.

10 SECTION 17. IC 6-1.1-12.1-17, AS ADDED BY P.L.173-2011,
 11 SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 12 JULY 1, 2013]: Sec. 17. (a) A designating body may provide to a
 13 business that is established in or relocated to a revitalization area and
 14 that receives a deduction under section 4 or 4.5 of this chapter an
 15 ~~alternative~~ abatement schedule based on the following factors:

- 16 (1) The total amount of the taxpayer's investment in real and
- 17 personal property.
- 18 (2) The number of new full-time equivalent jobs created.
- 19 (3) The average wage of the new employees compared to the state
- 20 minimum wage.
- 21 (4) The infrastructure requirements for the taxpayer's investment.

22 **(b) This subsection applies to a statement of benefits approved**
 23 **after June 30, 2013. A designating body shall establish an**
 24 **abatement schedule for each deduction allowed under this chapter.**
 25 An ~~alternative~~ abatement schedule must specify the percentage amount
 26 of the deduction for each year of the deduction. An ~~alternative~~
 27 abatement schedule may not exceed ten (10) years.

28 **(c) An abatement schedule approved for a particular taxpayer**
 29 **before July 1, 2013, remains in effect until the abatement schedule**
 30 **expires under the terms of the resolution approving the taxpayer's**
 31 **statement of benefits.**

32 SECTION 18. IC 6-1.1-20.6-1.2 IS ADDED TO THE INDIANA
 33 CODE AS A NEW SECTION TO READ AS FOLLOWS
 34 [EFFECTIVE MARCH 1, 2013 (RETROACTIVE)]: **Sec. 1.2. As used**
 35 **in this chapter, "common areas" means any of the following:**

- 36 **(1) Residential property improvements on real property on**
 37 **which a building that includes two (2) or more dwelling units,**
 38 **a mobile home, or a manufactured home is located, including**
 39 **all roads, swimming pools, tennis courts, basketball courts,**
 40 **playgrounds, carports, garages, other parking areas, gazebos,**
 41 **decks, and patios.**
- 42 **(2) The land and all appurtenances to the land used in**

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1 connection with a building or structure described in
2 subdivision (1), including land that is outside the footprint of
3 the building, mobile home, manufactured home, or
4 improvement.

5 SECTION 19. IC 6-1.1-20.6-4, AS AMENDED BY P.L.131-2008,
6 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
7 MARCH 1, 2013 (RETROACTIVE)]: Sec. 4. As used in this chapter,
8 "residential property" refers to real property that consists of any of the
9 following:

10 (1) A single family dwelling that is not part of a homestead and
11 the land, not exceeding one (1) acre, on which the dwelling is
12 located.

13 (2) Real property that consists of:
14 (A) a building that includes two (2) or more dwelling units;
15 (B) any common areas shared by the dwelling units (**including**
16 **any land that is a common area, as described in section**
17 **1.2(2) of this chapter**); and
18 (C) the land ~~not exceeding the area of the building footprint,~~
19 on which the building is located.

20 (3) Land rented or leased for the placement of a manufactured
21 home or mobile home, including any common areas shared by the
22 manufactured homes or mobile homes.

23 SECTION 20. IC 6-1.1-26-5, AS AMENDED BY P.L.120-2012,
24 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
25 JULY 1, 2013]: Sec. 5. (a) When a claim for refund filed under section
26 1 of this chapter is allowed either by the county board of
27 commissioners, the department of local government finance, the
28 Indiana board, or the Indiana tax court on appeal, the claimant is
29 entitled to a refund. The amount of the refund shall equal the amount
30 of the claim so allowed plus, with respect to claims for refund filed
31 after December 31, 2001, interest at the rate established for excess tax
32 payments by the commissioner of the department of state revenue
33 under IC 6-8.1-10-1 from the date on which the taxes were paid or
34 payable, whichever is later, to the date of the refund. **The interest shall**
35 **be calculated at the rate in effect for each year of the refund.** The
36 county auditor shall, without an appropriation being required, issue a
37 warrant to the claimant payable from the county general fund for the
38 amount due the claimant under this section.

39 (b) In the June or December settlement and apportionment of taxes,
40 or both the June and December settlement and apportionment of taxes,
41 immediately following a refund made under this section the county
42 auditor shall deduct the amount refunded from the gross tax collections

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1 of the taxing units for which the refunded taxes were originally paid
 2 and shall pay the amount so deducted into the general fund of the
 3 county. However, the county auditor shall make the deductions and
 4 payments required by this subsection not later than the December
 5 settlement and apportionment.

6 SECTION 21. IC 6-1.1-37-9, AS AMENDED BY P.L.120-2012,
 7 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 8 JULY 1, 2013]: Sec. 9. (a) This section applies when:

9 (1) an assessment is made or increased after the date or dates on
 10 which the taxes for the year for which the assessment is made
 11 were originally due;

12 (2) the assessment upon which a taxpayer has been paying taxes
 13 under IC 6-1.1-15-10(a)(1) or IC 6-1.1-15-10(a)(2) while a
 14 petition for review or a judicial proceeding has been pending is
 15 less than the assessment that results from the final determination
 16 of the petition for review or judicial proceeding; or

17 (3) the collection of certain ad valorem property taxes has been
 18 enjoined under IC 33-26-6-2, and under the final determination of
 19 the petition for judicial review the taxpayer is liable for at least
 20 part of those taxes.

21 (b) Except as provided in subsections (c) and (g), a taxpayer shall
 22 pay interest on the taxes the taxpayer is required to pay as a result of an
 23 action or a determination described in subsection (a) at the rate
 24 established by the commissioner of the department of state revenue
 25 under IC 6-8.1-10-1 from the original due date or dates for those taxes
 26 to:

27 (1) the date of payment; or

28 (2) the date on which penalties for the late payment of a tax
 29 installment may be charged under subsection (e) or (f);

30 whichever occurs first. **The interest shall be calculated at the rate in**
 31 **effect for each year from the original due date or dates for those**
 32 **taxes to the later of the dates described in subdivisions (1) and (2).**

33 (c) Except as provided in subsection (g), a taxpayer shall pay
 34 interest on the taxes the taxpayer is ultimately required to pay in excess
 35 of the amount that the taxpayer is required to pay under
 36 IC 6-1.1-15-10(a)(1) while a petition for review or a judicial
 37 proceeding has been pending at the overpayment rate established under
 38 Section 6621(c)(1) of the Internal Revenue Code in effect on the
 39 original due date or dates for those taxes from the original due date or
 40 dates for those taxes to:

41 (1) the date of payment; or

42 (2) the date on which penalties for the late payment of a tax

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- 1 installment may be charged under subsection (e) or (f);
 2 whichever occurs first.
- 3 (d) With respect to an action or determination described in
 4 subsection (a), the taxpayer shall pay the taxes resulting from that
 5 action or determination and the interest prescribed under subsection (b)
 6 or (c) on or before:
 7 (1) the next May 10; or
 8 (2) the next November 10;
 9 whichever occurs first.
- 10 (e) A taxpayer shall, to the extent that the penalty is not waived
 11 under section 10.1 or 10.7 of this chapter, begin paying the penalty
 12 prescribed in section 10 of this chapter on the day after the date for
 13 payment prescribed in subsection (d) if:
 14 (1) the taxpayer has not paid the amount of taxes resulting from
 15 the action or determination; and
 16 (2) the taxpayer either:
 17 (A) received notice of the taxes the taxpayer is required to pay
 18 as a result of the action or determination at least thirty (30)
 19 days before the date for payment; or
 20 (B) voluntarily signed and filed an assessment return for the
 21 taxes.
- 22 (f) If subsection (e) does not apply, a taxpayer who has not paid the
 23 amount of taxes resulting from the action or determination shall, to the
 24 extent that the penalty is not waived under section 10.1 or 10.7 of this
 25 chapter, begin paying the penalty prescribed in section 10 of this
 26 chapter on:
 27 (1) the next May 10 which follows the date for payment
 28 prescribed in subsection (d); or
 29 (2) the next November 10 which follows the date for payment
 30 prescribed in subsection (d);
 31 whichever occurs first.
- 32 (g) A taxpayer is not subject to the payment of interest on real
 33 property assessments under subsection (b) or (c) if:
 34 (1) an assessment is made or increased after the date or dates on
 35 which the taxes for the year for which the assessment is made
 36 were due;
 37 (2) the assessment or the assessment increase is made as the result
 38 of error or neglect by the assessor or by any other official
 39 involved with the assessment of property or the collection of
 40 property taxes; and
 41 (3) the assessment:
 42 (A) would have been made on the normal assessment date if

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1 the error or neglect had not occurred; or
 2 (B) increase would have been included in the assessment on
 3 the normal annual assessment date if the error or neglect had
 4 not occurred.

5 SECTION 22. IC 6-1.1-37-11, AS AMENDED BY SEA 85-2013,
 6 SECTION 19, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 7 JULY 1, 2013]: Sec. 11. (a) If a taxpayer is entitled to a property tax
 8 refund or credit because an assessment is decreased, the taxpayer shall
 9 also be paid, or credited with, interest on the excess taxes that the
 10 taxpayer paid at the rate of ~~four percent (4%) per annum~~ **established**
 11 **for excess tax payments by the commissioner of the department of**
 12 **state revenue under IC 6-8.1-10-1 from the date on which the taxes**
 13 **were paid or payable, whichever is later, to the date of the refund**
 14 **or credit. The interest shall be calculated at the rate in effect for**
 15 **each year of the refund or credit.** However, in the case of an
 16 assessment that is decreased by the Indiana board or the Indiana tax
 17 court, the taxpayer is not entitled to the greater of five hundred dollars
 18 (\$500) or twenty percent (20%) of the interest to which the taxpayer
 19 would otherwise be entitled on the excess taxes unless the taxpayer
 20 affirms, under penalty of perjury, that substantive evidence supporting
 21 the taxpayer's position had been:

- 22 (1) presented by the taxpayer to the assessor before; or
 23 (2) introduced by the taxpayer at;

24 the hearing held by the county property tax assessment board of
 25 appeals. An appraisal may not be required by the county property tax
 26 assessment board of appeals or the assessor in a proceeding before the
 27 county property tax assessment board of appeals or in a preliminary
 28 informal meeting under IC 6-1.1-15-1(h)(2).

29 (b) For purposes of this section and except as provided in subsection
 30 (c), the interest shall be computed from the date on which the taxes
 31 were paid or due, whichever is later, to the date of the refund or credit.
 32 If a taxpayer is sent a provisional tax statement and is later sent a final
 33 or reconciling tax statement, interest shall be computed after the date
 34 on which the taxes were paid or first due under the provisional tax
 35 statement, whichever is later, through the date of the refund or credit.

36 (c) This subsection applies if a taxpayer who is entitled to a refund
 37 or credit does not make a written request for the refund or credit to the
 38 county auditor within forty-five (45) days after the final determination
 39 of the county property tax assessment board of appeals, the state board
 40 of tax commissioners, the department of local government finance, the
 41 Indiana board, or the tax court that entitles the taxpayer to the refund
 42 or credit. In the case of a taxpayer described in this subsection, the

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1 interest shall be computed from the date on which the taxes were paid
 2 or due to the date that is forty-five (45) days after the final
 3 determination of the county property tax assessment board of appeals,
 4 the state board of tax commissioners, the department of local
 5 government finance, the Indiana board of tax review, or the Indiana tax
 6 court. In any event, a property tax refund or credit must be issued not
 7 later than ninety (90) days after the request is received.

8 SECTION 23. IC 34-24-1-1, AS AMENDED BY P.L.125-2012,
 9 SECTION 411, IS AMENDED TO READ AS FOLLOWS
 10 [EFFECTIVE JULY 1, 2013]: Sec. 1. (a) The following may be seized:

11 (1) All vehicles (as defined by IC 35-31.5-2-346), if they are used
 12 or are intended for use by the person or persons in possession of
 13 them to transport or in any manner to facilitate the transportation
 14 of the following:

15 (A) A controlled substance for the purpose of committing,
 16 attempting to commit, or conspiring to commit any of the
 17 following:

18 (i) Dealing in or manufacturing cocaine or a narcotic drug
 19 (IC 35-48-4-1).

20 (ii) Dealing in methamphetamine (IC 35-48-4-1.1).

21 (iii) Dealing in a schedule I, II, or III controlled substance
 22 (IC 35-48-4-2).

23 (iv) Dealing in a schedule IV controlled substance
 24 (IC 35-48-4-3).

25 (v) Dealing in a schedule V controlled substance
 26 (IC 35-48-4-4).

27 (vi) Dealing in a counterfeit substance (IC 35-48-4-5).

28 (vii) Possession of cocaine or a narcotic drug (IC 35-48-4-6).

29 (viii) Possession of methamphetamine (IC 35-48-4-6.1).

30 (ix) Dealing in paraphernalia (IC 35-48-4-8.5).

31 (x) Dealing in marijuana, hash oil, hashish, salvia, or a
 32 synthetic cannabinoid (IC 35-48-4-10).

33 (B) Any stolen (IC 35-43-4-2) or converted property
 34 (IC 35-43-4-3) if the retail or repurchase value of that property
 35 is one hundred dollars (\$100) or more.

36 (C) Any hazardous waste in violation of IC 13-30-10-1.5.

37 (D) A bomb (as defined in IC 35-31.5-2-31) or weapon of
 38 mass destruction (as defined in IC 35-31.5-2-354) used to
 39 commit, used in an attempt to commit, or used in a conspiracy
 40 to commit an offense under IC 35-47 as part of or in
 41 furtherance of an act of terrorism (as defined by
 42 IC 35-31.5-2-329).



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- 1 (2) All money, negotiable instruments, securities, weapons,
 2 communications devices, or any property used to commit, used in
 3 an attempt to commit, or used in a conspiracy to commit an
 4 offense under IC 35-47 as part of or in furtherance of an act of
 5 terrorism or commonly used as consideration for a violation of
 6 IC 35-48-4 (other than items subject to forfeiture under
 7 IC 16-42-20-5 or IC 16-6-8.5-5.1 before its repeal):
 8 (A) furnished or intended to be furnished by any person in
 9 exchange for an act that is in violation of a criminal statute;
 10 (B) used to facilitate any violation of a criminal statute; or
 11 (C) traceable as proceeds of the violation of a criminal statute.
 12 (3) Any portion of real or personal property purchased with
 13 money that is traceable as a proceed of a violation of a criminal
 14 statute.
 15 (4) A vehicle that is used by a person to:
 16 (A) commit, attempt to commit, or conspire to commit;
 17 (B) facilitate the commission of; or
 18 (C) escape from the commission of;
 19 murder (IC 35-42-1-1), kidnapping (IC 35-42-3-2), criminal
 20 confinement (IC 35-42-3-3), rape (IC 35-42-4-1), child molesting
 21 (IC 35-42-4-3), or child exploitation (IC 35-42-4-4), or an offense
 22 under IC 35-47 as part of or in furtherance of an act of terrorism.
 23 (5) Real property owned by a person who uses it to commit any of
 24 the following as a Class A felony, a Class B felony, or a Class C
 25 felony:
 26 (A) Dealing in or manufacturing cocaine or a narcotic drug
 27 (IC 35-48-4-1).
 28 (B) Dealing in methamphetamine (IC 35-48-4-1.1).
 29 (C) Dealing in a schedule I, II, or III controlled substance
 30 (IC 35-48-4-2).
 31 (D) Dealing in a schedule IV controlled substance
 32 (IC 35-48-4-3).
 33 (E) Dealing in marijuana, hash oil, hashish, salvia, or a
 34 synthetic cannabinoid (IC 35-48-4-10).
 35 (6) Equipment and recordings used by a person to commit fraud
 36 under IC 35-43-5-4(10).
 37 (7) Recordings sold, rented, transported, or possessed by a person
 38 in violation of IC 24-4-10.
 39 (8) Property (as defined by IC 35-31.5-2-253) or an enterprise (as
 40 defined by IC 35-45-6-1) that is the object of a corrupt business
 41 influence violation (IC 35-45-6-2).
 42 (9) Unlawful telecommunications devices (as defined in

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- 1 IC 35-45-13-6) and plans, instructions, or publications used to
 2 commit an offense under IC 35-45-13.
- 3 (10) Any equipment, including computer equipment and cellular
 4 telephones, used for or intended for use in preparing,
 5 photographing, recording, videotaping, digitizing, printing,
 6 copying, or disseminating matter in violation of IC 35-42-4.
- 7 (11) Destructive devices used, possessed, transported, or sold in
 8 violation of IC 35-47.5.
- 9 (12) Tobacco products that are sold in violation of IC 24-3-5,
 10 tobacco products that a person attempts to sell in violation of
 11 IC 24-3-5, and other personal property owned and used by a
 12 person to facilitate a violation of IC 24-3-5.
- 13 (13) Property used by a person to commit counterfeiting or
 14 forgery in violation of IC 35-43-5-2.
- 15 (14) After December 31, 2005, if a person is convicted of an
 16 offense specified in IC 25-26-14-26(b) or IC 35-43-10, the
 17 following real or personal property:
- 18 (A) Property used or intended to be used to commit, facilitate,
 19 or promote the commission of the offense.
- 20 (B) Property constituting, derived from, or traceable to the
 21 gross proceeds that the person obtained directly or indirectly
 22 as a result of the offense.
- 23 (15) Except as provided in subsection (e), a vehicle used by a
 24 person who operates the vehicle:
- 25 (A) while intoxicated, in violation of IC 9-30-5-1 through
 26 IC 9-30-5-5, if in the previous five (5) years the person has two
 27 (2) or more prior unrelated convictions:
- 28 (i) for operating a motor vehicle while intoxicated in
 29 violation of IC 9-30-5-1 through IC 9-30-5-5; or
 30 (ii) for an offense that is substantially similar to IC 9-30-5-1
 31 through IC 9-30-5-5 in another jurisdiction; or
- 32 (B) on a highway while the person's driving privileges are
 33 suspended in violation of IC 9-24-19-2 through IC 9-24-19-4,
 34 if in the previous five (5) years the person has two (2) or more
 35 prior unrelated convictions:
- 36 (i) for operating a vehicle while intoxicated in violation of
 37 IC 9-30-5-1 through IC 9-30-5-5; or
 38 (ii) for an offense that is substantially similar to IC 9-30-5-1
 39 through IC 9-30-5-5 in another jurisdiction.
- 40 If a court orders the seizure of a vehicle under this subdivision,
 41 the court shall transmit an order to the bureau of motor vehicles
 42 recommending that the bureau not permit a vehicle to be

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1 registered in the name of the person whose vehicle was seized
 2 until the person possesses a current driving license (as defined in
 3 IC 9-13-2-41).

4 (16) The following real or personal property:

5 (A) Property used or intended to be used to commit, facilitate,
 6 or promote the commission of an offense specified in
 7 IC 23-14-48-9, IC 30-2-9-7(b), IC 30-2-10-9(b), or
 8 IC 30-2-13-38(f).

9 (B) Property constituting, derived from, or traceable to the
 10 gross proceeds that a person obtains directly or indirectly as a
 11 result of an offense specified in IC 23-14-48-9, IC 30-2-9-7(b),
 12 IC 30-2-10-9(b), or IC 30-2-13-38(f).

13 **(17) An automated sales suppression device (as defined in**
 14 **IC 35-43-5-4.4(a)(1)) or phantom-ware (as defined in**
 15 **IC 35-43-5-4.4(a)(3)).**

16 (b) A vehicle used by any person as a common or contract carrier in
 17 the transaction of business as a common or contract carrier is not
 18 subject to seizure under this section, unless it can be proven by a
 19 preponderance of the evidence that the owner of the vehicle knowingly
 20 permitted the vehicle to be used to engage in conduct that subjects it to
 21 seizure under subsection (a).

22 (c) Equipment under subsection (a)(10) may not be seized unless it
 23 can be proven by a preponderance of the evidence that the owner of the
 24 equipment knowingly permitted the equipment to be used to engage in
 25 conduct that subjects it to seizure under subsection (a)(10).

26 (d) Money, negotiable instruments, securities, weapons,
 27 communications devices, or any property commonly used as
 28 consideration for a violation of IC 35-48-4 found near or on a person
 29 who is committing, attempting to commit, or conspiring to commit any
 30 of the following offenses shall be admitted into evidence in an action
 31 under this chapter as prima facie evidence that the money, negotiable
 32 instrument, security, or other thing of value is property that has been
 33 used or was to have been used to facilitate the violation of a criminal
 34 statute or is the proceeds of the violation of a criminal statute:

35 (1) IC 35-48-4-1 (dealing in or manufacturing cocaine or a
 36 narcotic drug).

37 (2) IC 35-48-4-1.1 (dealing in methamphetamine).

38 (3) IC 35-48-4-2 (dealing in a schedule I, II, or III controlled
 39 substance).

40 (4) IC 35-48-4-3 (dealing in a schedule IV controlled substance).

41 (5) IC 35-48-4-4 (dealing in a schedule V controlled substance)
 42 as a Class B felony.

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- 1 (6) IC 35-48-4-6 (possession of cocaine or a narcotic drug) as a
- 2 Class A felony, Class B felony, or Class C felony.
- 3 (7) IC 35-48-4-6.1 (possession of methamphetamine) as a Class
- 4 A felony, Class B felony, or Class C felony.
- 5 (8) IC 35-48-4-10 (dealing in marijuana, hash oil, hashish, salvia,
- 6 or a synthetic cannabinoid) as a Class C felony.

7 (e) A vehicle operated by a person who is not:

- 8 (1) an owner of the vehicle; or
- 9 (2) the spouse of the person who owns the vehicle;

10 is not subject to seizure under subsection (a)(15) unless it can be
11 proven by a preponderance of the evidence that the owner of the
12 vehicle knowingly permitted the vehicle to be used to engage in
13 conduct that subjects it to seizure under subsection (a)(15).

14 SECTION 24. IC 35-43-5-4.4 IS ADDED TO THE INDIANA
15 CODE AS A NEW SECTION TO READ AS FOLLOWS
16 [EFFECTIVE JULY 1, 2013]: **Sec. 4.4. (a) The following definitions**
17 **apply throughout this section:**

18 (1) "Automated sales suppression device" means a software
19 program:

- 20 (A) carried on a memory stick or removable compact disc;
- 21 (B) accessed through an Internet link; or
- 22 (C) accessed through any other means;

23 that falsifies the electronic records of electronic cash registers
24 and other point-of-sale systems, including transaction data
25 and transaction reports.

26 (2) "Electronic cash register" means a device that keeps a
27 register or supporting documents through the means of an
28 electronic device or a computer system designed to record
29 transaction data for the purpose of computing, compiling, or
30 processing retail sales transaction data in any manner.

31 (3) "Phantom-ware" means a programming option that is
32 hidden, pre-installed, or installed at a later time, that is
33 embedded in the operating system of an electronic cash
34 register or hardwired into the electronic cash register, and
35 that:

- 36 (A) can be used to create a virtual second till; or
- 37 (B) may eliminate or manipulate transaction records that
38 may or may not be preserved in digital formats to
39 represent the true or manipulated record of transactions
40 in the electronic cash register.

41 (4) "Transaction data" includes information regarding:

- 42 (A) items purchased by a customer;

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- 1 (B) the price for each item;
- 2 (C) a taxability determination for each item;
- 3 (D) a segregated tax amount for each of the taxed items;
- 4 (E) the amount of cash or credit tendered;
- 5 (F) the net amount returned to the customer in change;
- 6 (G) the date and time of the purchase;
- 7 (H) the name, address, and identification number of the
- 8 vendor; and
- 9 (I) the receipt or invoice number of the transaction.
- 10 (5) "Transaction report" means:
- 11 (A) a report that includes:
- 12 (i) the sales;
- 13 (ii) taxes collected;
- 14 (iii) media totals; and
- 15 (iv) discount voids;
- 16 at an electronic cash register and that is printed on cash
- 17 register tape at the end of a day or shift; or
- 18 (B) a report documenting every action at an electronic cash
- 19 register that is stored electronically.
- 20 (6) "Zapper" refers to an automated sales suppression device.
- 21 (b) A person who knowingly or intentionally sells, purchases,
- 22 installs, transfers, or possesses:
- 23 (1) an automated sales suppression device or a zapper; or
- 24 (2) phantom-ware;
- 25 after June 30, 2012, commits unlawful sale or possession of a
- 26 transaction manipulation device, a Class C felony.
- 27 SECTION 25. [EFFECTIVE MARCH 1, 2013 (RETROACTIVE)]
- 28 (a) IC 6-1.1-20.6-1.2, as added by this act, applies only to property
- 29 taxes first due and payable after December 31, 2013.
- 30 (b) This SECTION expires July 1, 2016.
- 31 SECTION 26. An emergency is declared for this act.

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COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1544, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 2, line 4, delete "is equal" and insert "**amount must be specified in the ordinance adopted under this section and may be any amount up**".

Page 43, line 14, after "." insert "**The credit amount must be specified in the ordinance and may be any amount up to one hundred percent (100%) of a taxpayer's property tax liability.**".

and when so amended that said bill do pass.

(Reference is to HB 1544 as introduced.)

BROWN T, Chair

Committee Vote: yeas 18, nays 4.

 HOUSE MOTION

Mr. Speaker: I move that Engrossed House Bill 1544, which failed to pass for want of a constitutional majority on February 25, 2013, be handed down again and placed before the House on final passage.

TURNER

 HOUSE MOTION

Mr. Speaker: I move that House Bill 1544 be recommitted to a Committee of One, its author, with specific instructions to amend as follows:

Page 1, delete lines 1 through 17.

Delete page 2.

Page 3, delete lines 1 through 8.

Page 42, line 17, delete "2011" and insert "**2013**".

Page 42, delete lines 30 through 42.

Delete page 43.

Page 44, delete lines 1 through 30.

Page 50, between lines 7 and 8, begin a new paragraph and insert:

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"SECTION 21. [EFFECTIVE MARCH 1, 2013 (RETROACTIVE)]
(a) IC 6-1.1-20.6-1.2, as added by this act, applies only to property taxes first due and payable after December 31, 2013.

(b) This SECTION expires July 1, 2016."

Renumber all SECTIONS consecutively.

(Reference is to HB 1544 as printed February 18, 2013.)

TURNER

COMMITTEE REPORT

Mr. Speaker: Your Committee of One, to which was referred House Bill 1544, begs leave to report that said bill has been amended as directed.

TURNER

COMMITTEE REPORT

Madam President: The Senate Committee on Tax and Fiscal Policy, to which was referred House Bill No. 1544, 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 41, between lines 4 and 5, begin a new paragraph and insert:

"SECTION 19. IC 6-1.1-20.6-4, AS AMENDED BY P.L.131-2008, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2013 (RETROACTIVE)]: Sec. 4. As used in this chapter, "residential property" refers to real property that consists of any of the following:

- (1) A single family dwelling that is not part of a homestead and the land, not exceeding one (1) acre, on which the dwelling is located.
- (2) Real property that consists of:
 - (A) a building that includes two (2) or more dwelling units;
 - (B) any common areas shared by the dwelling units **(including any land that is a common area, as described in section 1.2(2) of this chapter)**; and
 - (C) the land ~~not exceeding the area of the building footprint,~~ on which the building is located.



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(3) Land rented or leased for the placement of a manufactured home or mobile home, including any common areas shared by the manufactured homes or mobile homes.

SECTION 20. IC 6-1.1-26-5, AS AMENDED BY P.L.120-2012, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2013]: Sec. 5. (a) When a claim for refund filed under section 1 of this chapter is allowed either by the county board of commissioners, the department of local government finance, the Indiana board, or the Indiana tax court on appeal, the claimant is entitled to a refund. The amount of the refund shall equal the amount of the claim so allowed plus, with respect to claims for refund filed after December 31, 2001, interest at the rate established for excess tax payments by the commissioner of the department of state revenue under IC 6-8.1-10-1 from the date on which the taxes were paid or payable, whichever is later, to the date of the refund. **The interest shall be calculated at the rate in effect for each year of the refund.** The county auditor shall, without an appropriation being required, issue a warrant to the claimant payable from the county general fund for the amount due the claimant under this section.

(b) In the June or December settlement and apportionment of taxes, or both the June and December settlement and apportionment of taxes, immediately following a refund made under this section the county auditor shall deduct the amount refunded from the gross tax collections of the taxing units for which the refunded taxes were originally paid and shall pay the amount so deducted into the general fund of the county. However, the county auditor shall make the deductions and payments required by this subsection not later than the December settlement and apportionment.

SECTION 21. IC 6-1.1-37-9, AS AMENDED BY P.L.120-2012, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2013]: Sec. 9. (a) This section applies when:

- (1) an assessment is made or increased after the date or dates on which the taxes for the year for which the assessment is made were originally due;
- (2) the assessment upon which a taxpayer has been paying taxes under IC 6-1.1-15-10(a)(1) or IC 6-1.1-15-10(a)(2) while a petition for review or a judicial proceeding has been pending is less than the assessment that results from the final determination of the petition for review or judicial proceeding; or
- (3) the collection of certain ad valorem property taxes has been enjoined under IC 33-26-6-2, and under the final determination of the petition for judicial review the taxpayer is liable for at least

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part of those taxes.

(b) Except as provided in subsections (c) and (g), a taxpayer shall pay interest on the taxes the taxpayer is required to pay as a result of an action or a determination described in subsection (a) at the rate established by the commissioner of the department of state revenue under IC 6-8.1-10-1 from the original due date or dates for those taxes to:

- (1) the date of payment; or
- (2) the date on which penalties for the late payment of a tax installment may be charged under subsection (e) or (f);

whichever occurs first. **The interest shall be calculated at the rate in effect for each year from the original due date or dates for those taxes to the later of the dates described in subdivisions (1) and (2).**

(c) Except as provided in subsection (g), a taxpayer shall pay interest on the taxes the taxpayer is ultimately required to pay in excess of the amount that the taxpayer is required to pay under IC 6-1.1-15-10(a)(1) while a petition for review or a judicial proceeding has been pending at the overpayment rate established under Section 6621(c)(1) of the Internal Revenue Code in effect on the original due date or dates for those taxes from the original due date or dates for those taxes to:

- (1) the date of payment; or
- (2) the date on which penalties for the late payment of a tax installment may be charged under subsection (e) or (f);

whichever occurs first.

(d) With respect to an action or determination described in subsection (a), the taxpayer shall pay the taxes resulting from that action or determination and the interest prescribed under subsection (b) or (c) on or before:

- (1) the next May 10; or
- (2) the next November 10;

whichever occurs first.

(e) A taxpayer shall, to the extent that the penalty is not waived under section 10.1 or 10.7 of this chapter, begin paying the penalty prescribed in section 10 of this chapter on the day after the date for payment prescribed in subsection (d) if:

- (1) the taxpayer has not paid the amount of taxes resulting from the action or determination; and
- (2) the taxpayer either:
 - (A) received notice of the taxes the taxpayer is required to pay as a result of the action or determination at least thirty (30) days before the date for payment; or

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(B) voluntarily signed and filed an assessment return for the taxes.

(f) If subsection (e) does not apply, a taxpayer who has not paid the amount of taxes resulting from the action or determination shall, to the extent that the penalty is not waived under section 10.1 or 10.7 of this chapter, begin paying the penalty prescribed in section 10 of this chapter on:

- (1) the next May 10 which follows the date for payment prescribed in subsection (d); or
- (2) the next November 10 which follows the date for payment prescribed in subsection (d);

whichever occurs first.

(g) A taxpayer is not subject to the payment of interest on real property assessments under subsection (b) or (c) if:

- (1) an assessment is made or increased after the date or dates on which the taxes for the year for which the assessment is made were due;
- (2) the assessment or the assessment increase is made as the result of error or neglect by the assessor or by any other official involved with the assessment of property or the collection of property taxes; and
- (3) the assessment:
 - (A) would have been made on the normal assessment date if the error or neglect had not occurred; or
 - (B) increase would have been included in the assessment on the normal annual assessment date if the error or neglect had not occurred.

SECTION 22. IC 6-1.1-37-11, AS AMENDED BY SEA 85-2013, SECTION 19, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2013]: 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 the taxpayer paid at the rate of ~~four percent (4%) per annum~~ **established for excess tax payments by the commissioner of the department of state revenue under IC 6-8.1-10-1 from the date on which the taxes were paid or payable, whichever is later, to the date of the refund or credit. The interest shall be calculated at the rate in effect for each year of the refund or credit.** 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 the greater of five hundred dollars (\$500) or twenty percent (20%) of the interest to which the taxpayer would otherwise be entitled on the excess taxes unless the taxpayer

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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 held by the county property tax assessment board of appeals. An appraisal may not be required by the county property tax assessment board of appeals or the assessor in a proceeding before the county property tax assessment board of appeals or in a preliminary informal meeting under IC 6-1.1-15-1(h)(2).

(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. If a taxpayer is sent a provisional tax statement and is later sent a final or reconciling tax statement, interest shall be computed after the date on which the taxes were paid or first due under the provisional tax statement, whichever is later, through 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."

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to HB 1544 as reprinted February 26, 2013.)

HERSHMAN, Chairperson

Committee Vote: Yeas 8, Nays 4.

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