



April 2, 2013

**ENGROSSED
SENATE BILL No. 494**

DIGEST OF SB 494 (Updated March 30, 2013 10:29 am - DI 92)

Citations Affected: IC 6-1.1; IC 6-2.5; IC 6-8.1; IC 6-9; IC 8-22; IC 20-46; IC 36-1.5; IC 36-7; noncode.

Synopsis: State and local taxation. Extends the assessment schedule for outdoor advertising through the 2016 assessment date. Specifies that a homestead is eligible for the 1% circuit breaker cap if the homestead has actually been granted a standard deduction. Provides that real property leased wholly or in part to a state agency is exempt to the extent that the real property is leased to the state agency from property taxes if the lease requires the state agency to reimburse the owner for property taxes. Provides a property tax exemption for signs manufactured for the Indiana department of transportation to comply with federal highway funding requirements under federal law. Provides that the \$50 penalty that may be imposed against a taxpayer in certain property tax appeal circumstances may not be added as an amount owed on the property tax statement. Provides that if the majority of the individuals serving on a governing body of a taxing unit are not elected officials and the assessed valuation of the taxing unit is not entirely contained within a city or town but the majority of the individuals
(Continued next page)

Effective: Upon passage; January 1, 2007 (retroactive); January 1, 2011 (retroactive); July 1, 2013; January 1, 2014.

**Hershman, Mishler, Hume,
Miller Patricia, Schneider, Rogers**

(HOUSE SPONSORS — BROWN T, TURNER)

January 14, 2013, read first time and referred to Committee on Tax and Fiscal Policy.
February 21, 2013, amended, reported favorably — Do Pass.
February 25, 2013, read second time, ordered engrossed. Engrossed.
February 26, 2013, read third time, passed. Yeas 50, nays 0.

HOUSE ACTION

March 5, 2013, read first time and referred to Committee on Ways and Means.
April 1, 2013, amended, reported — Do Pass.

C
o
p
y

ES 494—LS 7289/DI 58+



serving on the governing body are appointed by the city or town, the governing body shall submit its proposed budget and property tax levy to the city or town fiscal body rather than the county fiscal body. Legalizes actions taken after June 30, 2012, and before July 1, 2013, by the fiscal bodies of certain cities or towns to adopt a final budget and levy for a taxing unit. Provides for a school corporation whose voters adopted a referendum after November 1, 2009, and before May 1, 2010, that the property tax revenue from the referendum is to be distributed to the school corporation instead of the redevelopment commission having taxable property within the school corporation (applies to revenue received after 2013). Provides that if a county auditor in a county other than Marion County determines that property is not eligible for the standard deduction and the property taxes, interest, and penalties are collected within 30 days after a notice is issued to the taxpayer, the amount of the increased property taxes, interest, and penalties deposited in the county auditor's nonreverting fund may not exceed \$100,000 per year, and any amount exceeding \$100,000 must be deposited in the county general fund. Specifies that the department of local government finance (DLGF) shall annually review each coefficient of dispersion study and each sales assessment ratio study that are submitted by a county. Creates a five year pilot program to require the DLGF to review and analyze certain improved residential property data submitted for North Township in Lake County and for Center, Wayne, and Washington townships in Marion County. Requires the DLGF to separate the parcels in these townships into four comparable groups and separately review and analyze data for each of the four groups and to prepare a coefficient of dispersion study and a property sales assessment ratio study for each group. Removes the requirements that aircraft be registered out of the United States and be of a certain size for the sales and use tax exemption regarding tangible personal property used for the repair, maintenance, refurbishment, remodeling, or remanufacturing of an aircraft or an avionics system of an aircraft. Expands the sales tax exemption for research and development equipment to include any tangible personal property used for research and development, regardless of whether the person acquiring the property is the ultimate manufacturer or seller of the product that is the subject of the research and development. Repeals an obsolete section concerning the exemption for research and development equipment for property acquired after June 30, 2005, and before July 1, 2007. Restores provisions inadvertently repealed in 2012 concerning sales tax on gasoline. Changes the maximum innkeeper's tax rate that may be imposed by the county council of Vigo County from 5% to 10%. Provides an alcoholic beverage excise tax credit for liquor or wine excise taxes paid in duplicate as a result of excise taxes being imposed both at the time the taxed goods are received and when the same goods are withdrawn from a storage facility. Requires the taxpayer to annually use an amount equal to the credit for capital expenditures to expand employment or assist in retaining employment within Indiana. Requires the department of state revenue to annually verify whether the capital expenditures made by the taxpayer comply with the requirement. Provides that the Indiana economic development corporation may designate not more than two new certified technology parks during any state fiscal year. Provides that the designation of a new certified technology park is subject to review by the budget committee and approval of the budget agency. Permits a local airport authority to annually transfer up to 5% of the authority's property tax levy for operating and maintenance to the authority's cumulative building fund. Expands the definition of "aviation related property or facilities" to include properties or facilities used as aviation manufacturing or aviation research and development facilities. Specifies that the DLGF may make various adjustments to the maximum permissible property tax levies, maximum permissible

(Continued next page)

C
O
P
Y



Digest Continued

property tax rates, and budgets of political subdivisions that enter into a reorganization. Upon the request of Zionsville in Boone County, requires the DLGF to establish a cumulative building and equipment fund for fire protection and related services and make related levy adjustments. Prescribes the maximum tax rate for the cumulative building fund of the Frankfort Airport Authority. Legalizes the actions of the DLGF with regard to levies by Barkley and Union Townships in Jasper County for township fire protection and emergency services. Forgives property taxes, penalties, or interest for various properties owned by nonprofit organizations. Specifies the rate to use in the first step of the calculation of the maximum property tax rate for the capital projects fund of the Vincennes Community School Corporation. Provides that notwithstanding any action of the DLGF to the contrary, the advertised budget of the school city of Mishawaka is the school city's budget for calendar year 2013. Provides for the collection of property taxes in accordance with the advertised budget on the second installment of property taxes due in 2013. Provides that upon petition by the executive of Union Township in St. Joseph County (as the provider unit of the Union-Lakeville fire protection territory), the DLGF shall increase the township's maximum property tax levy for the fire protection territory by the amount necessary to increase the township's maximum property tax levy for the fire protection territory for property taxes first due and payable in 2014 to 70% of the amount of the township's maximum property tax levy for the fire protection territory that applied to taxes first due and payable in 2006.

C
o
p
y



**с
о
р
у**

April 2, 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.

C
O
P
Y

ENGROSSED SENATE BILL No. 494

A BILL FOR AN ACT to amend the Indiana Code concerning state and local administration.

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

1 SECTION 1. IC 6-1.1-3-24, AS ADDED BY P.L.137-2012,
2 SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2013]: Sec. 24. (a) In determining the assessed value of
4 various sizes of outdoor advertising signs for the 2011 through ~~2014~~
5 **2016** assessment dates, a taxpayer and assessing official shall use the
6 following table without any adjustments:
7 Single Pole Structure

8 Type of Sign	Value Per Structure
9 At least 48 feet, illuminated	\$5,000
10 At least 48 feet, non-illuminated	\$4,000
11 At least 26 feet and under 48 feet, illuminated	\$4,000
12 At least 26 feet and under 48 feet, 13 non-illuminated	\$3,300
14 Under 26 feet, illuminated	\$3,200
15 Under 26 feet, non-illuminated	\$2,600

ES 494—LS 7289/DI 58+



1	Other Types of Outdoor Signs	
2	At least 50 feet, illuminated	\$2,500
3	At least 50 feet, non-illuminated	\$1,500
4	At least 40 feet and under 50 feet, illuminated	\$2,000
5	At least 40 feet and under 50 feet,	
6	non-illuminated	\$1,300
7	At least 30 feet and under 40 feet, illuminated	\$2,000
8	At least 30 feet and under 40 feet,	
9	non-illuminated	\$1,300
10	At least 20 feet and under 30 feet, illuminated	\$1,600
11	At least 20 feet and under 30 feet,	
12	non-illuminated	\$1,000
13	Under 20 feet, illuminated	\$1,600
14	Under 20 feet, non-illuminated	\$1,000

15 ~~(b) During the 2012 legislative interim, the commission on state tax~~
 16 ~~and financing policy shall study the assessment of outdoor signs.~~
 17 ~~Before January 1, 2013, the commission shall report to the general~~
 18 ~~assembly on any suggested changes in the law with regard to assessing~~
 19 ~~outdoor signs.~~

20 ~~(c)~~ **(b)** This section expires July 1, ~~2015~~: **2017**.

21 SECTION 2. IC 6-1.1-10-2 IS AMENDED TO READ AS
 22 FOLLOWS [EFFECTIVE JANUARY 1, 2014]: Sec. 2. **(a)** Except as
 23 otherwise provided by law, the property owned by this state, a state
 24 agency, or the bureau of motor vehicles commission is exempt from
 25 property taxation.

26 **(b) Real property leased to a state agency is exempt from**
 27 **property taxes if the lease requires the state agency to reimburse**
 28 **the owner for property taxes. If a state agency leases less than all**
 29 **of a parcel of real property, the exemption provided by this**
 30 **subsection is a partial exemption that is equal to the part of the**
 31 **gross assessed value of the real property attributable to the part of**
 32 **the real property leased by the state agency.**

33 SECTION 3. IC 6-1.1-10-45 IS ADDED TO THE INDIANA CODE
 34 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE
 35 JANUARY 1, 2014]: Sec. 45. **(a) Tangible personal property**
 36 **consisting of a sign that is manufactured for the Indiana**
 37 **department of transportation in order for the department to**
 38 **comply with 23 U.S.C. 131 is exempt from personal property**
 39 **taxation.**

40 **(b) The owner of personal property that wishes to obtain the**
 41 **exemption provided by this section must file an exemption claim**
 42 **along with the owner's annual personal property tax return. The**

C
O
P
Y



1 claim must describe and state the assessed value of the personal
2 property for which an exemption is claimed.

3 (c) The township or county assessor shall:

4 (1) review the exemption claim; and

5 (2) allow or deny the exemption claim in whole or in part.

6 The assessor's action is subject to all the provisions of this article
7 pertaining to notice, review, or appeal of personal property
8 assessments.

9 (d) The township or county assessor shall reduce the assessed
10 value of the owner's personal property for the year for which the
11 exemption is claimed by the amount of exemption allowed.

12 SECTION 4. IC 6-1.1-14-12 IS ADDED TO THE INDIANA CODE
13 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
14 1, 2013]: Sec. 12. (a) As part of the review under IC 6-1.1-33.5-3(4)
15 and IC 6-1.1-33.5-3(5) of the coefficient of dispersion study and
16 property sales assessment ratio study submitted by a county under
17 50 IAC 27-4-4, the department of local government finance shall
18 conduct the review and analysis described in this section.

19 (b) The department shall:

20 (1) conduct its review and analysis for studies submitted in
21 2013 through 2017; and

22 (2) review and analyze only data and studies for property that
23 is classified as improved residential property in townships
24 having a population of more than one hundred thirty
25 thousand (130,000).

26 (c) The department shall separate each township described in
27 subsection (b) into four (4) comparable groups of parcels as
28 determined by the department. The department shall:

29 (1) separately review and analyze for each group of parcels
30 data used for the coefficient of dispersion study and the
31 property sales assessment ratio study submitted by the
32 county; and

33 (2) prepare a coefficient of dispersion study and a property
34 sales assessment ratio study for each group of parcels.

35 SECTION 5. IC 6-1.1-15-1, AS AMENDED BY P.L.146-2012,
36 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
37 JULY 1, 2013]: Sec. 1. (a) A taxpayer may obtain a review by the
38 county board of a county or township official's action with respect to
39 either or both of the following:

40 (1) The assessment of the taxpayer's tangible property.

41 (2) A deduction for which a review under this section is
42 authorized by any of the following:

C
o
p
y



- 1 (A) IC 6-1.1-12-25.5.
 2 (B) IC 6-1.1-12-28.5.
 3 (C) IC 6-1.1-12-35.5.
 4 (D) IC 6-1.1-12.1-5.
 5 (E) IC 6-1.1-12.1-5.3.
 6 (F) IC 6-1.1-12.1-5.4.

7 (b) At the time that notice of an action referred to in subsection (a)
 8 is given to the taxpayer, the taxpayer shall also be informed in writing
 9 of:

- 10 (1) the opportunity for a review under this section, including a
 11 preliminary informal meeting under subsection (h)(2) with the
 12 county or township official referred to in this subsection; and
 13 (2) the procedures the taxpayer must follow in order to obtain a
 14 review under this section.

15 (c) In order to obtain a review of an assessment or deduction
 16 effective for the assessment date to which the notice referred to in
 17 subsection (b) applies, the taxpayer must file a notice in writing with
 18 the county or township official referred to in subsection (a) not later
 19 than forty-five (45) days after the date of the notice referred to in
 20 subsection (b).

21 (d) A taxpayer may obtain a review by the county board of the
 22 assessment of the taxpayer's tangible property effective for an
 23 assessment date for which a notice of assessment is not given as
 24 described in subsection (b). To obtain the review, the taxpayer must file
 25 a notice in writing with the township assessor, or the county assessor
 26 if the township is not served by a township assessor. The right of a
 27 taxpayer to obtain a review under this subsection for an assessment
 28 date for which a notice of assessment is not given does not relieve an
 29 assessing official of the duty to provide the taxpayer with the notice of
 30 assessment as otherwise required by this article. The notice to obtain
 31 a review must be filed not later than the later of:

- 32 (1) May 10 of the year; or
 33 (2) forty-five (45) days after the date of the tax statement mailed
 34 by the county treasurer, regardless of whether the assessing
 35 official changes the taxpayer's assessment.

36 (e) A change in an assessment made as a result of a notice for
 37 review filed by a taxpayer under subsection (d) after the time
 38 prescribed in subsection (d) becomes effective for the next assessment
 39 date. A change in an assessment made as a result of a notice for review
 40 filed by a taxpayer under subsection (c) or (d) remains in effect from
 41 the assessment date for which the change is made until the next
 42 assessment date for which the assessment is changed under this article.



C
 O
 P
 Y

1 (f) The written notice filed by a taxpayer under subsection (c) or (d)
2 must include the following information:

- 3 (1) The name of the taxpayer.
4 (2) The address and parcel or key number of the property.
5 (3) The address and telephone number of the taxpayer.

6 (g) The filing of a notice under subsection (c) or (d):

- 7 (1) initiates a review under this section; and
8 (2) constitutes a request by the taxpayer for a preliminary
9 informal meeting with the official referred to in subsection (a).

10 (h) A county or township official who receives a notice for review
11 filed by a taxpayer under subsection (c) or (d) shall:

- 12 (1) immediately forward the notice to the county board; and
13 (2) attempt to hold a preliminary informal meeting with the
14 taxpayer to resolve as many issues as possible by:

15 (A) discussing the specifics of the taxpayer's assessment or
16 deduction;

17 (B) reviewing the taxpayer's property record card;

18 (C) explaining to the taxpayer how the assessment or
19 deduction was determined;

20 (D) providing to the taxpayer information about the statutes,
21 rules, and guidelines that govern the determination of the
22 assessment or deduction;

23 (E) noting and considering objections of the taxpayer;

24 (F) considering all errors alleged by the taxpayer; and

25 (G) otherwise educating the taxpayer about:

26 (i) the taxpayer's assessment or deduction;

27 (ii) the assessment or deduction process; and

28 (iii) the assessment or deduction appeal process.

29 (i) Not later than ten (10) days after the informal preliminary
30 meeting, the official referred to in subsection (a) shall forward to the
31 county auditor and the county board the results of the conference on a
32 form prescribed by the department of local government finance that
33 must be completed and signed by the taxpayer and the official. The
34 form must indicate the following:

35 (1) If the taxpayer and the official agree on the resolution of all
36 assessment or deduction issues in the review, a statement of:

37 (A) those issues; and

38 (B) the assessed value of the tangible property or the amount
39 of the deduction that results from the resolution of those issues
40 in the manner agreed to by the taxpayer and the official.

41 (2) If the taxpayer and the official do not agree on the resolution
42 of all assessment or deduction issues in the review:

C
O
P
Y



- 1 (A) a statement of those issues; and
- 2 (B) the identification of:
 - 3 (i) the issues on which the taxpayer and the official agree;
 - 4 and
 - 5 (ii) the issues on which the taxpayer and the official
 - 6 disagree.
- 7 (j) If the county board receives a form referred to in subsection
- 8 (i)(1) before the hearing scheduled under subsection (k):
 - 9 (1) the county board shall cancel the hearing;
 - 10 (2) the county official referred to in subsection (a) shall give
 - 11 notice to the taxpayer, the county board, the county assessor, and
 - 12 the county auditor of the assessment or deduction in the amount
 - 13 referred to in subsection (i)(1)(B); and
 - 14 (3) if the matter in issue is the assessment of tangible property,
 - 15 the county board may reserve the right to change the assessment
 - 16 under IC 6-1.1-13.
- 17 (k) If:
 - 18 (1) subsection (i)(2) applies; or
 - 19 (2) the county board does not receive a form referred to in
 - 20 subsection (i) not later than one hundred twenty (120) days after
 - 21 the date of the notice for review filed by the taxpayer under
 - 22 subsection (c) or (d);
- 23 the county board shall hold a hearing on a review under this subsection
- 24 not later than one hundred eighty (180) days after the date of that
- 25 notice. The county board shall, by mail, give at least thirty (30) days
- 26 notice of the date, time, and place fixed for the hearing to the taxpayer
- 27 and the county or township official with whom the taxpayer filed the
- 28 notice for review. The taxpayer and the county or township official
- 29 with whom the taxpayer filed the notice for review are parties to the
- 30 proceeding before the county board. A taxpayer may request a
- 31 continuance of the hearing by filing, at least twenty (20) days before
- 32 the hearing date, a request for continuance with the board and the
- 33 county or township official with evidence supporting a just cause for
- 34 the continuance. The board shall, not later than ten (10) days after the
- 35 date the request for a continuance is filed, either find that the taxpayer
- 36 has demonstrated a just cause for a continuance and grant the taxpayer
- 37 the continuance, or deny the continuance. A taxpayer may request that
- 38 the board take action without the taxpayer being present and that the
- 39 board make a decision based on the evidence already submitted to the
- 40 board by filing, at least eight (8) days before the hearing date, a request
- 41 with the board and the county or township official. A taxpayer may
- 42 withdraw a petition by filing, at least eight (8) days before the hearing

COPY



1 date, a notice of withdrawal with the board and the county or township
2 official.

3 (l) At the hearing required under subsection (k):

4 (1) the taxpayer may present the taxpayer's reasons for
5 disagreement with the assessment or deduction; and

6 (2) the county or township official with whom the taxpayer filed
7 the notice for review must present:

8 (A) the basis for the assessment or deduction decision; and

9 (B) the reasons the taxpayer's contentions should be denied.

10 A penalty of fifty dollars (\$50) shall be assessed against the taxpayer
11 if the taxpayer or representative fails to appear at the hearing and,
12 under subsection (k), the taxpayer's request for continuance is denied,
13 or the taxpayer's request for continuance, request for the board to take
14 action without the taxpayer being present, or withdrawal is not timely
15 filed. A taxpayer may appeal the assessment of the penalty to the
16 Indiana board or directly to the tax court. **The penalty may not be**
17 **added as an amount owed on the property tax statement under**
18 **IC 6-1.1-22 or IC 6-1.1-22.5.**

19 (m) The official referred to in subsection (a) may not require the
20 taxpayer to provide documentary evidence at the preliminary informal
21 meeting under subsection (h). The county board may not require a
22 taxpayer to file documentary evidence or summaries of statements of
23 testimonial evidence before the hearing required under subsection (k).
24 If the action for which a taxpayer seeks review under this section is the
25 assessment of tangible property, the taxpayer is not required to have an
26 appraisal of the property in order to do the following:

27 (1) Initiate the review.

28 (2) Prosecute the review.

29 (n) The county board shall prepare a written decision resolving all
30 of the issues under review. The county board shall, by mail, give notice
31 of its determination not later than one hundred twenty (120) days after
32 the hearing under subsection (k) to the taxpayer, the official referred to
33 in subsection (a), the county assessor, and the county auditor.

34 (o) If the maximum time elapses:

35 (1) under subsection (k) for the county board to hold a hearing; or

36 (2) under subsection (n) for the county board to give notice of its
37 determination;

38 the taxpayer may initiate a proceeding for review before the Indiana
39 board by taking the action required by section 3 of this chapter at any
40 time after the maximum time elapses.

41 SECTION 6. IC 6-1.1-17-20, AS AMENDED BY P.L.137-2012,
42 SECTION 27, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE

C
O
P
Y



1 JULY 1, 2013]: Sec. 20. (a) This section applies to each governing
 2 body of a taxing unit that is not comprised of a majority of officials
 3 who are elected to serve on the governing body. For purposes of this
 4 section, an individual who qualifies to be appointed to a governing
 5 body or serves on a governing body because of the individual's status
 6 as an elected official of another taxing unit shall be treated as an
 7 official who was not elected to serve on the governing body.

8 (b) As used in this section, "taxing unit" has the meaning set forth
 9 in IC 6-1.1-1-21, except that the term does not include a public library
 10 or an entity whose tax levies are subject to review and modification by
 11 a city-county legislative body under IC 36-3-6-9.

12 (c) If:

13 (1) the assessed valuation of a taxing unit is entirely contained
 14 within a city or town; or

15 (2) the assessed valuation of a taxing unit is not entirely contained
 16 within a city or town but:

17 (A) the taxing unit was originally established by the city or
 18 town; or

19 (B) **the majority of the individuals serving on the**
 20 **governing body of the taxing unit are appointed by the city**
 21 **or town;**

22 the governing body shall submit its proposed budget and property tax
 23 levy to the city or town fiscal body. The proposed budget and levy shall
 24 be submitted to the city or town fiscal body in the manner prescribed
 25 by the department of local government finance before September 2 of
 26 a year. ~~However, in the case of a public library that is subject to this~~
 27 ~~section and is described in subdivision (2), the public library shall~~
 28 ~~submit its proposed budget and property tax levy to the county fiscal~~
 29 ~~body in the manner provided in subsection (d); rather than to the city~~
 30 ~~or town fiscal body, if more than fifty percent (50%) of the parcels of~~
 31 ~~real property within the jurisdiction of the public library are located~~
 32 ~~outside the city or town.~~

33 (d) If subsection (c) does not apply, the governing body of the taxing
 34 unit shall submit its proposed budget and property tax levy to the
 35 county fiscal body in the county where the taxing unit has the most
 36 assessed valuation. The proposed budget and levy shall be submitted
 37 to the county fiscal body in the manner prescribed by the department
 38 of local government finance before September 2 of a year.

39 (e) The fiscal body of the city, town, or county (whichever applies)
 40 shall review each budget and proposed tax levy and adopt a final
 41 budget and tax levy for the taxing unit. The fiscal body may reduce or
 42 modify but not increase the proposed budget or tax levy.

ES 494—LS 7289/DI 58+



C
o
p
y

1 (f) If a taxing unit fails to file the information required in subsection
 2 (c) or (d), whichever applies, with the appropriate fiscal body by the
 3 time prescribed by this section, the most recent annual appropriations
 4 and annual tax levy of that taxing unit are continued for the ensuing
 5 budget year.

6 (g) If the appropriate fiscal body fails to complete the requirements
 7 of subsection (e) before the adoption deadline in section 5 of this
 8 chapter for any taxing unit subject to this section, the most recent
 9 annual appropriations and annual tax levy of the city, town, or county,
 10 whichever applies, are continued for the ensuing budget year.

11 SECTION 7. IC 6-1.1-18-12, AS AMENDED BY SEA 85-2013,
 12 SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 13 JULY 1, 2013]: Sec. 12. (a) For purposes of this section, "maximum
 14 rate" refers to the maximum:

- 15 (1) property tax rate or rates; or
- 16 (2) special benefits tax rate or rates;

17 referred to in the statutes listed in subsection (d).

18 (b) The maximum rate for taxes first due and payable after 2003 is
 19 the maximum rate that would have been determined under subsection
 20 (e) for taxes first due and payable in 2003 if subsection (e) had applied
 21 for taxes first due and payable in 2003.

22 (c) The maximum rate must be adjusted each year to account for the
 23 change in assessed value of real property that results from:

- 24 (1) an annual adjustment of the assessed value of real property
 25 under IC 6-1.1-4-4.5;
- 26 (2) a general reassessment of real property under IC 6-1.1-4-4; or
- 27 (3) a reassessment under a county's reassessment plan prepared
 28 under IC 6-1.1-4-4.2.

29 (d) The statutes to which subsection (a) refers are:

- 30 (1) IC 8-10-5-17;
- 31 (2) IC 8-22-3-11;
- 32 (3) IC 8-22-3-25;
- 33 (4) IC 12-29-1-1;
- 34 (5) IC 12-29-1-2;
- 35 (6) IC 12-29-1-3;
- 36 (7) IC 12-29-3-6;
- 37 (8) IC 13-21-3-12;
- 38 (9) IC 13-21-3-15;
- 39 (10) IC 14-27-6-30;
- 40 (11) IC 14-33-7-3;
- 41 (12) IC 14-33-21-5;
- 42 (13) IC 15-14-7-4;

C
o
p
y



- 1 (14) IC 15-14-9-1;
- 2 (15) IC 15-14-9-2;
- 3 (16) IC 16-20-2-18;
- 4 (17) IC 16-20-4-27;
- 5 (18) IC 16-20-7-2;
- 6 (19) IC 16-22-14;
- 7 (20) IC 16-23-1-29;
- 8 (21) IC 16-23-3-6;
- 9 (22) IC 16-23-4-2;
- 10 (23) IC 16-23-5-6;
- 11 (24) IC 16-23-7-2;
- 12 (25) IC 16-23-8-2;
- 13 (26) IC 16-23-9-2;
- 14 (27) IC 16-41-15-5;
- 15 (28) IC 16-41-33-4;
- 16 (29) IC 20-46-2-3 (before its repeal on January 1, 2009);
- 17 (30) IC 20-46-6-5;
- 18 (31) IC 20-49-2-10;
- 19 (32) IC 36-1-19-1;
- 20 (33) IC 23-14-66-2;
- 21 (34) IC 23-14-67-3;
- 22 (35) IC 36-7-13-4;
- 23 (36) IC 36-7-14-28;
- 24 (37) IC 36-7-15.1-16;
- 25 (38) IC 36-8-19-8.5;
- 26 (39) IC 36-9-6.1-2;
- 27 (40) IC 36-9-17.5-4;
- 28 (41) IC 36-9-27-73;
- 29 (42) IC 36-9-29-31;
- 30 (43) IC 36-9-29.1-15;
- 31 (44) IC 36-10-6-2;
- 32 (45) IC 36-10-7-7;
- 33 (46) IC 36-10-7-8;
- 34 (47) IC 36-10-7.5-19;
- 35 (48) IC 36-10-13-5;
- 36 (49) IC 36-10-13-7;
- 37 (50) IC 36-10-14-4;
- 38 (51) IC 36-12-7-7;
- 39 (52) IC 36-12-7-8;
- 40 (53) IC 36-12-12-10;
- 41 (54) a statute listed in IC 6-1.1-18.5-9.8; and
- 42 (55) any statute enacted after December 31, 2003, that:

C
O
P
Y



- 1 (A) establishes a maximum rate for any part of the:
 2 (i) property taxes; or
 3 (ii) special benefits taxes;
 4 imposed by a political subdivision; and
 5 (B) does not exempt the maximum rate from the adjustment
 6 under this section.
- 7 (e) For property tax rates imposed for property taxes first due and
 8 payable after December 31, 2012, the new maximum rate under a
 9 statute listed in subsection (d) is the tax rate determined under STEP
 10 EIGHT of the following STEPS:
- 11 STEP ONE: Except as provided in subsection (g), determine the
 12 maximum rate for the political subdivision levying a property tax
 13 or special benefits tax under the statute for the year preceding the
 14 year in which the annual adjustment or the reassessment under
 15 IC 6-1.1-4-4 or IC 6-1.1-4-4.2 takes effect.
- 16 STEP TWO: Determine the actual percentage change (rounded to
 17 the nearest one-hundredth percent (0.01%)) in the assessed value
 18 (before the adjustment, if any, under IC 6-1.1-4-4.5) of the taxable
 19 property from the year preceding the year the annual adjustment
 20 or the reassessment under IC 6-1.1-4-4 or IC 6-1.1-4-4.2 takes
 21 effect to the year that the annual adjustment or the reassessment
 22 under IC 6-1.1-4-4 or IC 6-1.1-4-4.2 takes effect.
- 23 STEP THREE: Determine the three (3) calendar years that
 24 immediately precede the ensuing calendar year and in which a
 25 statewide general reassessment of real property under
 26 IC 6-1.1-4-4 does not first take effect.
- 27 STEP FOUR: Compute separately, for each of the calendar years
 28 determined in STEP THREE, the actual percentage change
 29 (rounded to the nearest one-hundredth percent (0.01%)) in the
 30 assessed value (before the adjustment, if any, under
 31 IC 6-1.1-4-4.5) of the taxable property from the preceding year.
- 32 STEP FIVE: Divide the sum of the three (3) quotients computed
 33 in STEP FOUR by three (3).
- 34 STEP SIX: Determine the greater of the following:
 35 (A) Zero (0).
 36 (B) The STEP FIVE result.
- 37 STEP SEVEN: Determine the greater of the following:
 38 (A) Zero (0).
 39 (B) The result of the STEP TWO percentage minus the STEP
 40 SIX percentage.
- 41 STEP EIGHT: Determine the quotient of the STEP ONE tax rate
 42 divided by the sum of one (1) plus the STEP SEVEN percentage.

C
O
P
Y

1 (f) The department of local government finance shall compute the
2 maximum rate allowed under subsection (e) and provide the rate to
3 each political subdivision with authority to levy a tax under a statute
4 listed in subsection (d).

5 (g) This subsection applies only when calculating the maximum rate
6 for taxes due and payable in calendar year 2013. The STEP ONE result
7 is the greater of the following:

8 (1) The actual maximum rate established for property taxes first
9 due and payable in calendar year 2012.

10 (2) The maximum rate that would have been established for
11 property taxes first due and payable in calendar year 2012 if the
12 maximum rate had been established under the formula under this
13 section, as amended in the 2012 session of the general assembly.

14 **(h) This subsection applies only when calculating the maximum**
15 **rate allowed under subsection (e) for the Vincennes Community**
16 **School Corporation with respect to property taxes first due and**
17 **payable in 2014. The subsection (e) STEP ONE result for the school**
18 **corporation's capital projects fund is nineteen and forty-two**
19 **hundredths cents (\$0.1942).**

20 SECTION 8. IC 6-1.1-20-12, AS ADDED BY P.L.203-2011,
21 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
22 JULY 1, 2013]: Sec. 12. (a) This section applies to taxes first due and
23 payable in 2012 or a subsequent year.

24 (b) The county auditor shall distribute proceeds collected from an
25 allocation area (as defined in IC 6-1.1-21.2-3) that are attributable to
26 property taxes imposed after being approved by the voters in a
27 referendum conducted after April 30, 2010, to the taxing unit for which
28 the referendum was conducted.

29 (c) The amount to be distributed under subsection (b) shall be
30 treated as part of the referendum levy for purposes of setting tax rates
31 for property taxes imposed after being approved by the voters in a
32 referendum conducted after April 30, 2010.

33 **(d) For a school corporation that conducted a referendum after**
34 **November 1, 2009, and before May 1, 2010, for distributions after**
35 **2013, the county auditor shall distribute proceeds collected from an**
36 **allocation area (as defined in IC 6-1.1-21.2-3) that are attributable**
37 **to property taxes imposed after being approved by the voters in the**
38 **referendum, to the school corporation for which the referendum**
39 **was conducted. The amount to be distributed to the school**
40 **corporation shall be treated as part of the referendum levy for**
41 **purposes of setting the school corporation's tax rates.**

42 SECTION 9. IC 6-1.1-20.6-2, AS AMENDED BY

C
o
p
y



1 P.L.182-2009(ss), SECTION 151, IS AMENDED TO READ AS
2 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. (a) As used in
3 this chapter, "homestead" refers to a homestead that ~~is eligible for~~ **has**
4 **been granted** a standard deduction under IC 6-1.1-12-37.

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

7 SECTION 10. IC 6-1.1-33.5-3, AS AMENDED BY
8 P.L.182-2009(ss), SECTION 169, IS AMENDED TO READ AS
9 FOLLOWS [EFFECTIVE JULY 1, 2013]: Sec. 3. The division of data
10 analysis shall:

11 (1) conduct continuing studies in the areas in which the
12 department of local government finance operates;

- 13 (2) make periodic field surveys and audits of:
14 (A) tax rolls;
15 (B) plat books;
16 (C) building permits;
17 (D) real estate transfers; and
18 (E) other data that may be useful in checking property
19 valuations or taxpayer returns;

20 (3) make test checks of property valuations to serve as the ~~bases~~
21 **basis** for special reassessments under this article;

22 (4) conduct ~~biennially~~ **annually a review of each** coefficient of
23 dispersion study for each township and county; ~~in Indiana;~~

24 (5) conduct ~~quadrennially~~ **annually a review of each** sales
25 assessment ratio study for each township and county; ~~in Indiana;~~
26 and

27 (6) report annually to the executive director of the legislative
28 services agency, in an electronic format under IC 5-14-6, the
29 information obtained or determined under this section for use by
30 the executive director and the general assembly, including:

- 31 (A) all information obtained by the division of data analysis
32 from units of local government; and
33 (B) all information included in:
34 (i) the local government data base; and
35 (ii) any other data compiled by the division of data analysis.

36 SECTION 11. IC 6-1.1-36-17, AS ADDED BY P.L.87-2009,
37 SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
38 JULY 1, 2013]: Sec. 17. (a) As used in this section, "nonreverting
39 fund" refers to a nonreverting fund established under subsection (c).

40 (b) Each county auditor that makes a determination that property
41 was not eligible for a standard deduction under IC 6-1.1-12-37 or a
42 homestead credit under IC 6-1.1-20.9 (repealed) in a particular year

C
o
p
y



1 shall notify the county treasurer of the determination. The county
 2 auditor shall issue a notice of taxes, interest, and penalties due to the
 3 owner and include a statement that the payment is to be made payable
 4 to the county auditor. The notice must require full payment of the
 5 amount owed within thirty (30) days.

6 (c) Each county auditor shall establish a nonreverting fund. Upon
 7 collection of the adjustment in tax due (and any interest and penalties
 8 on that amount) after the termination of a deduction or credit as
 9 specified in subsection (b), the county treasurer shall deposit that
 10 amount:

11 (1) in the nonreverting fund, **if the county contains a**
 12 **consolidated city; or**

13 (2) **if the county does not contain a consolidated city:**

14 (A) **in the nonreverting fund, to the extent that the amount**
 15 **collected does not cause the total amount deposited in the**
 16 **nonreverting fund under this subsection for the year**
 17 **during which the amount is collected to exceed one**
 18 **hundred thousand dollars (\$100,000); or**

19 (B) **in the county general fund, to the extent that the**
 20 **amount collected exceeds the amount that may be**
 21 **deposited in the nonreverting fund under clause (A).**

22 Any part of the amount that is not collected by the due date shall be
 23 placed on the tax duplicate for the affected property and collected in
 24 the same manner as other property taxes. The adjustment in tax due
 25 (and any interest and penalties on that amount) after the termination of
 26 a deduction or credit as specified in subsection (b) shall be deposited
 27 ~~in the nonreverting fund~~ **as specified in this subsection** only in the first
 28 year in which that amount is collected.

29 (d) The amount to be deposited in the nonreverting fund **or the**
 30 **county general fund under subsection (c)** includes adjustments in the
 31 tax due as a result of the termination of deductions or credits available
 32 only for property that satisfies the eligibility for a standard deduction
 33 under IC 6-1.1-12-37 or a homestead credit under IC 6-1.1-20.9
 34 (repealed), including the following:

- 35 (1) Supplemental deductions under IC 6-1.1-12-37.5.
- 36 (2) Homestead credits under IC 6-1.1-20.4, IC 6-3.5-1.1-26,
- 37 IC 6-3.5-6-13, IC 6-3.5-6-32, IC 6-3.5-7-13.1, or IC 6-3.5-7-26,
- 38 or any other law.
- 39 (3) Credit for excessive property taxes under IC 6-1.1-20.6-7.5 or
- 40 IC 6-1.1-20.6-8.5.

41 Any amount paid that exceeds the amount required to be deposited ~~in~~
 42 ~~the nonreverting fund~~ **under subsection (c)(1) or (c)(2)** shall be

C
o
p
y



1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42

distributed as property taxes.

(e) Money ~~in the nonreverting fund~~ **deposited under subsection (c)(1) or (c)(2)** shall be treated as miscellaneous revenue. Distributions shall be made from the nonreverting fund established under this section upon appropriation by the county fiscal body and shall be made only for the following purposes:

(1) Fees and other costs incurred by the county auditor to discover property that is eligible for a standard deduction under IC 6-1.1-12-37 or a homestead credit under IC 6-1.1-20.9 (repealed).

(2) Other expenses of the office of the county auditor.

(3) The cost of preparing, sending, and processing notices described in IC 6-1.1-22-8.1(b)(9). ~~and checklists or notices described in IC 6-1.1-22-5-12(d).~~

The amount of deposits in a reverting fund, the balance of a nonreverting fund, and expenditures from a reverting fund may not be considered in establishing the budget of the office of the county auditor or in setting property tax levies that will be used in any part to fund the office of the county auditor.

SECTION 12. IC 6-1.1-41-16 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2013]: **Sec. 16. (a) This section applies to the town of Zionsville.**

(b) Upon the request of the town, the department of local government finance shall establish for the town a cumulative building and equipment fund for fire protection and related services as described in IC 36-8-14 to be a fund of the town beginning in 2014.

SECTION 13. IC 6-1.1-41-17 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2013]: **Sec. 17. (a) This section applies to the Frankfort Airport Authority in Clinton County.**

(b) Notwithstanding IC 8-22-3-25, the maximum permissible ad valorem property tax levy for the authority's cumulative building fund may not exceed sixty-seven hundredths of one cent (\$0.0067) on each one hundred dollars (\$100) of assessed value of taxable property within the district.

SECTION 14. IC 6-2.5-5-40, AS ADDED BY P.L.193-2005, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2013]: **Sec. 40. (a) As used in this chapter, section, "research and development activities" does not include any of the following:**

(1) Efficiency surveys.

C
o
p
y



- 1 (2) Management studies.
 2 (3) Consumer surveys.
 3 (4) Economic surveys.
 4 (5) Advertising or promotions.
 5 (6) Research in connection with literary, historical, or similar
 6 projects.
 7 (7) Testing for purposes of quality control.
 8 (b) As used in this section, "research and development equipment"
 9 means tangible personal property that:
 10 (1) consists of or is a combination of:
 11 (A) laboratory equipment;
 12 (B) computers;
 13 (C) computer software;
 14 (D) telecommunications equipment; or
 15 (E) testing equipment;
 16 (2) has not previously been used in Indiana for any purpose; and
 17 (3) is acquired by the purchaser for the purpose of research and
 18 development activities devoted directly to experimental or
 19 laboratory research and development for:
 20 (A) new products;
 21 (B) new uses of existing products; or
 22 (C) improving or testing existing products.
 23 (c) As used in this section, "research and development
 24 property" means tangible personal property that:
 25 (1) has not previously been used in Indiana for any purpose;
 26 and
 27 (2) is acquired by the purchaser for the purpose of research
 28 and development activities devoted to experimental or
 29 laboratory research and development for:
 30 (A) new products;
 31 (B) new uses of existing products; or
 32 (C) improving or testing existing products.
 33 (d) A retail transaction:
 34 (1) involving research and development equipment; and
 35 (2) occurring after June 30, 2007, and before July 1, 2013;
 36 is exempt from the state gross retail tax.
 37 (e) A retail transaction:
 38 (1) involving research and development property; and
 39 (2) occurring after June 30, 2013;
 40 is exempt from the state gross retail tax.
 41 (f) The exemption provided by subsection (e) applies regardless
 42 of whether the person that acquires the research and development

C
O
P
Y



1 property is a manufacturer or seller of the new or existing
2 products specified in subsection (c)(2).

3 (g) For purposes of this section, a retail transaction shall be
4 considered as having occurred after June 30, 2013, to the extent
5 that delivery of the property constituting selling at retail is made
6 after that date to the purchaser or to the place of delivery
7 designated by the purchaser. However, a transaction shall be
8 considered as having occurred before July 1, 2013, to the extent
9 that the agreement of the parties to the transaction is entered into
10 before July 1, 2013, and payment for the property furnished in the
11 transaction is made before July 1, 2013, notwithstanding the
12 delivery of the property after June 30, 2013. This subsection
13 expires January 1, 2017.

14 SECTION 15. IC 6-2.5-5-46, AS ADDED BY P.L.153-2012,
15 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
16 JULY 1, 2013]: Sec. 46. (a) For purposes of this section, "aircraft"
17 refers to an aircraft with a country of registration that is outside the
18 United States and is:

19 (1) certified by the Federal Aviation Administration as having a
20 minimum landing weight of at least five thousand (5,000) pounds;

21 or

22 (2) equipped with a turboprop or turbojet power plant.

23 (b) (a) Transactions involving tangible personal property (including
24 materials, parts, equipment, and engines) are exempt from the state
25 gross retail tax, if the property is:

26 (1) used;

27 (2) consumed; or

28 (3) installed;

29 in furtherance of, or in, the repair, maintenance, refurbishment,
30 remodeling, or remanufacturing of an aircraft or an avionics systems
31 system of an aircraft.

32 (c) (b) The exemption provided by this section applies to a
33 transaction only if the retail merchant, at the time of the transaction,
34 possesses a valid repair station certificate issued by the Federal
35 Aviation Administration under 14 CFR 145 et seq. or other applicable
36 law or regulation.

37 SECTION 16. IC 6-2.5-6-16 IS REPEALED [EFFECTIVE JULY
38 1, 2013]. Sec. 16. (a) As used in this section, "research and
39 development equipment" has the meaning set forth in IC 6-2.5-5-40.

40 (b) A person is entitled to a refund equal to fifty percent (50%) of
41 the gross retail tax paid by the person under this article in a retail
42 transaction occurring after June 30, 2005, and before July 1, 2007, to

C
O
P
Y



1 acquire research and development equipment:

2 (c) To receive the refund provided by this section, a person must
3 claim the refund under IC 6-8.1-9 in the manner prescribed by the
4 department:

5 SECTION 17. IC 6-2.5-7-5, AS AMENDED BY P.L.98-2012,
6 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
7 JULY 1, 2013]: Sec. 5. (a) Each retail merchant who dispenses
8 gasoline or special fuel from a metered pump shall, in the manner
9 prescribed in IC 6-2.5-6, report to the department the following
10 information:

11 (1) The total number of gallons of gasoline sold from a metered
12 pump during the period covered by the report.

13 (2) The total amount of money received from the sale of gasoline
14 described in subdivision (1) during the period covered by the
15 report.

16 (3) That portion of the amount described in subdivision (2) which
17 represents state and federal taxes imposed under this article,
18 IC 6-6-1.1, or Section 4081 of the Internal Revenue Code.

19 (4) The total number of gallons of special fuel sold from a
20 metered pump during the period covered by the report.

21 (5) The total amount of money received from the sale of special
22 fuel during the period covered by the report.

23 (6) That portion of the amount described in subdivision (5) that
24 represents state and federal taxes imposed under this article,
25 IC 6-6-2.5, or Section 4041 of the Internal Revenue Code.

26 (7) The total number of gallons of E85 sold from a metered pump
27 during the period covered by the report.

28 (b) Concurrently with filing the report, the retail merchant shall
29 remit the state gross retail tax in an amount which equals six and
30 fifty-four hundredths percent (6.54%) of the gross receipts, including
31 state gross retail taxes but excluding Indiana and federal gasoline and
32 special fuel taxes, received by the retail merchant from the sale of the
33 gasoline and special fuel that is covered by the report and on which the
34 retail merchant was required to collect state gross retail tax. The retail
35 merchant shall remit that amount regardless of the amount of state
36 gross retail tax which the merchant has actually collected under this
37 chapter. However, the retail merchant is entitled to deduct and retain
38 the amounts prescribed in **subsection (c)**, IC 6-2.5-6-10, and
39 IC 6-2.5-6-11.

40 (c) **A retail merchant is entitled to deduct from the amount of**
41 **state gross retail tax required to be remitted under subsection (b)**
42 **the remainder of:**

C
O
P
Y



- 1 (1) the sum of the prepayment amounts made during the
- 2 period covered by the retail merchant's report; minus
- 3 (2) the sum of prepayment amounts collected by the retail
- 4 merchant, in the merchant's capacity as a qualified
- 5 distributor, during the period covered by the retail
- 6 merchant's report.

7 If the department has allowed the deduction provided by this
 8 subsection after June 30, 2012, and before July 1, 2013, the
 9 department's allowance of the deduction is legalized and validated.

10 SECTION 18. IC 6-2.5-7-6.5 IS ADDED TO THE INDIANA
 11 CODE AS A NEW SECTION TO READ AS FOLLOWS
 12 [EFFECTIVE JULY 1, 2013]: Sec. 6.5. (a) If the deduction under
 13 section 5(c) of this chapter exceeds the amount of gross retail tax
 14 required to be remitted under section 5(b) of this chapter, the retail
 15 merchant is entitled to a credit. The credit shall be used as follows:

- 16 (1) First, the credit shall be applied against gross retail and
- 17 use tax liability of the retail merchant that is required to be
- 18 remitted under IC 6-2.5-6.
- 19 (2) Second, any amount remaining shall be applied against the
- 20 gasoline tax liability of the retail merchant, as determined
- 21 under IC 6-6-1.1, excluding any liability for gasoline delivered
- 22 to a taxable marine facility.

23 A retail merchant may file a claim for a refund instead of taking a
 24 credit or for a refund of any excess tax payment remaining after
 25 the credits allowed by this section. In addition, a retail merchant
 26 may file a claim for a refund under section 12 of this chapter.

27 (b) A retail merchant that is entitled to a refund under this
 28 section must file a claim for the refund on the form approved by
 29 the department and must include any supporting documentation
 30 reasonably required by the department. If a retail merchant files
 31 a completed refund claim form that includes all supporting
 32 documentation, the excess tax payment that is not refunded within
 33 ninety (90) days accrues interest as provided in IC 6-8.1-9-2.

34 (c) Before the fifth day of each month, the department shall
 35 determine and notify the treasurer of state of the amount of credits
 36 applied during the preceding month against the gasoline tax under
 37 this section. The treasurer of state shall transfer from the general
 38 fund:

- 39 (1) to the highway, road and street fund, twenty-five percent
- 40 (25%) of the amount set forth in the department's notice; and
- 41 (2) to the motor fuel tax fund of the motor vehicle highway
- 42 account, seventy-five percent (75%) of the amount set forth in

C
O
P
Y



1 the department's notice.

2 **(d) If the department has allowed the credit or refund provided**
 3 **by this section after June 30, 2012, and before July 1, 2013, the**
 4 **department's allowance of the credit or refund is legalized and**
 5 **validated.**

6 SECTION 19. IC 6-2.5-7-12, AS AMENDED BY P.L.98-2012,
 7 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 8 JULY 1, 2013]: Sec. 12. (a) Except as provided in subsection (b), a
 9 distributor that prepays the state gross retail tax under this chapter shall
 10 separately state the amount of tax prepaid on the invoice the distributor
 11 issues to its purchaser or recipient. The purchaser or recipient shall pay
 12 to the distributor an amount equal to the prepaid tax.

13 (b) A distributor that:

- 14 (1) prepays the state gross retail tax under this chapter;
 15 (2) is a retail merchant; and
 16 (3) sells gasoline that is exempt from the gross retail tax, as
 17 evidenced by a purchaser's exemption certificate issued by the
 18 department;

19 may not require the exempt purchaser to pay the gross retail taxes
 20 prepaid in the gasoline sold to the exempt purchaser. A distributor that
 21 has prepaid gross retail taxes and has not been reimbursed because the
 22 gasoline is sold to an exempt purchaser may file a claim for a refund
 23 **(in addition to any claim for a refund under section 6.5 of this**
 24 **chapter)**, if the amount of unreimbursed prepaid gross retail taxes
 25 exceeds five hundred dollars (\$500). A claim for a refund must be on
 26 the form approved by the department and include all supporting
 27 documentation reasonably required by the department. If a distributor
 28 files a completed refund claim form that includes all supporting
 29 documentation, the department shall authorize the auditor of state to
 30 issue a warrant for the refund.

31 SECTION 20. IC 6-8.1-9-2, AS AMENDED BY P.L.182-2009(ss),
 32 SECTION 257, IS AMENDED TO READ AS FOLLOWS
 33 [EFFECTIVE JULY 1, 2013]: Sec. 2. (a) If the department finds that
 34 a person has paid more tax for a taxable year than is legally due, the
 35 department shall apply the amount of the excess against any amount of
 36 that same tax that is assessed and is currently due. The department may
 37 then apply any remaining excess against any of the listed taxes that
 38 have been assessed against the person and that are currently due.
 39 Subject to subsection (c), if any excess remains after the department
 40 has applied the overpayment against the person's tax liabilities, the
 41 department shall either refund the amount to the person or, at the
 42 person's request, credit the amount to the person's future tax liabilities.

ES 494—LS 7289/DI 58+



C
O
P
Y

1 (b) Subject to subsection (c), if a court determines that a person has
 2 paid more tax for a taxable year than is legally due, the department
 3 shall refund the excess amount to the person.

4 (c) As used in this subsection, "pass through entity" means a
 5 corporation that is exempt from the adjusted gross income tax under
 6 IC 6-3-2-2.8(2), a partnership, a limited liability company, or a limited
 7 liability partnership and "pass through income" means a person's
 8 distributive share of adjusted gross income for a taxable year
 9 attributable to the person's interest in a pass through entity. This
 10 subsection applies to a person's overpayment of adjusted gross income
 11 tax for a taxable year if:

12 (1) the person has filed a timely claim for refund with respect to
 13 the overpayment under IC 6-8.1-9-1;

14 (2) the overpayment:

15 (A) is with respect to a taxable year beginning before January
 16 1, 2009;

17 (B) is attributable to amounts paid to the department by:

18 (i) a nonresident shareholder, partner, or member of a pass
 19 through entity;

20 (ii) a pass through entity under IC 6-3-4-12 or IC 6-3-4-13
 21 on behalf of a nonresident shareholder, partner, or member
 22 of the pass through entity; or

23 (iii) a pass through entity under IC 6-3-4-12 or IC 6-3-4-13
 24 on behalf of a nonresident shareholder, partner, or member
 25 of another pass through entity; and

26 (3) the overpayment arises from a determination by the
 27 department or a court that the person's pass through income is not
 28 includible in the person's adjusted gross income derived from
 29 sources within Indiana as a result of the application of
 30 IC 6-3-2-2(a)(5) and IC 6-3-2-2.2(g).

31 The department shall apply the overpayment to the person's liability for
 32 taxes that have been assessed and are currently due as provided in
 33 subsection (a) and apply any remaining overpayment as a credit or
 34 credits in satisfaction of the person's liability for listed taxes in taxable
 35 years beginning after December 31, 2008. If the person, including any
 36 successor to the person's interest in the overpayment, does not have
 37 sufficient liability for listed taxes against which to credit all the
 38 remaining overpayment in a taxable year beginning after December 31,
 39 2008, and ending before January 1, 2019, the taxpayer is not entitled
 40 for any taxable year ending after December 31, 2018, to have any part
 41 of the remaining overpayment applied, refunded, or credited to the
 42 person's liability for listed taxes. If an overpayment or part of an



C
 o
 p
 y

1 overpayment is required to be applied as a credit under this subsection
 2 to the person's liability for listed taxes for a taxable year beginning after
 3 December 31, 2008, and has not been determined by the department or
 4 a court to meet the conditions of subdivision (3) by the due date of the
 5 person's return for a listed tax for a taxable year beginning after
 6 December 31, 2008, the department shall refund to the person that part
 7 of the overpayment that should have been applied as a credit for such
 8 taxable year within ninety (90) days of the date that the department or
 9 a court makes the determination that the overpayment meets the
 10 conditions of subdivision (3). However, the department may establish
 11 a program to refund small overpayment amounts that do not exceed the
 12 threshold dollar value established by the department rather than
 13 crediting the amounts against tax liability accruing for a taxable year
 14 after December 31, 2008. A person that receives a refund or credit
 15 under this subsection shall file a report with the department in the form
 16 and in the schedule specified by the department that identifies under
 17 penalties of perjury the home state or other jurisdiction where the
 18 income subject to the refund or credit was reported as income
 19 attributable to that state or jurisdiction.

20 (d) An excess tax payment that is not refunded or credited against
 21 a current or future tax liability within ninety (90) days after the date the
 22 refund claim is filed, the date the tax payment was due, or the date the
 23 tax was paid, whichever is latest, accrues interest from the date the
 24 refund claim is filed at the rate established under IC 6-8.1-10-1 until a
 25 date, determined by the department, that does not precede by more than
 26 thirty (30) days, the date on which the refund or credit is made. As used
 27 in this subsection, "refund claim" includes an amended return that
 28 indicates an overpayment of tax.

29 (e) **A person who is liable for the payment of excise taxes under**
 30 **IC 7.1-4-3 or IC 7.1-4-4 is entitled to claim a credit against the**
 31 **person's excise tax liability in the amount of the excise taxes paid**
 32 **in duplicate by the person, or the person's assignors or**
 33 **predecessors, upon both:**

34 (1) **the receipt of the goods subject to the excise taxes, as**
 35 **reported by the person, or the person's assignors or**
 36 **predecessors, on excise tax returns filed with the department;**
 37 **and**

38 (2) **the withdrawal of the same goods from a storage facility**
 39 **operated under 19 U.S.C. 1555(a).**

40 (f) **The amount of the credit under subsection (e) is equal to the**
 41 **amount of excise taxes:**

42 (1) **that were paid by the person as described in subsection**

C
O
P
Y



1 (e)(2);

2 (2) that are duplicative of excise taxes paid by the person as
3 described in subsection (e)(1); and

4 (3) for which the person has not previously claimed a credit.

5 The credit may be claimed by subtracting the amount of the credit
6 from the amount of the person's excise taxes reported on the
7 person's monthly excise tax returns filed under IC 7.1-4-6 with the
8 department for taxes imposed under IC 7.1-4-3 or IC 7.1-4-4. The
9 amount of the credit that may be taken monthly by the person on
10 each monthly excise tax return may not exceed five percent (5%)
11 of the excise tax liability reported by the person on the monthly
12 excise tax return.

13 (g) The amount of the credit taken under subsection (e) must be
14 used for capital expenditures to:

15 (1) expand employment; or

16 (2) assist in retaining employment within Indiana.

17 The department shall annually verify whether the capital
18 expenditures made by the person comply with this subsection.

19 SECTION 21. IC 6-9-11-6 IS AMENDED TO READ AS
20 FOLLOWS [EFFECTIVE JULY 1, 2013]: Sec. 6. (a) The county
21 council may levy a tax on every person engaged in the business of
22 renting or furnishing, for periods of less than thirty (30) days, any room
23 or rooms, lodgings, or accommodations in any commercial hotel,
24 motel, inn, tourist camp, tourist cabin, university memorial union, or
25 university residence hall, except state camping facilities, located in the
26 county. The county council may impose the tax at a rate not to exceed
27 ~~five ten~~ percent (~~5%~~) (**10%**) on the gross income derived from lodging
28 income only. The tax is in addition to the state gross retail tax imposed
29 on those persons by IC 6-2.5. The tax does not apply to a retail
30 transaction in which a student rents lodging in a university memorial
31 union or residence hall while that student participates in a course of
32 study for which the student receives college credit from a state
33 university located in the county.

34 (b) The county fiscal body may adopt an ordinance to require that
35 the tax be reported on forms approved by the county treasurer and that
36 the tax shall be paid monthly to the county treasurer. If such an
37 ordinance is adopted, the tax shall be paid to the county treasurer not
38 more than twenty (20) days after the end of the month the tax is
39 collected. If such an ordinance is not adopted, the tax shall be imposed,
40 paid, and collected in exactly the same manner as the state gross retail
41 tax is imposed, paid, and collected pursuant to IC 6-2.5.

42 (c) All of the provisions of IC 6-2.5 relating to rights, duties,

ES 494—LS 7289/DI 58+



C
O
P
Y

1 liabilities, procedures, penalties, definitions, exemptions, and
 2 administration apply to the imposition and administration of the tax
 3 imposed under this section, except to the extent those provisions are in
 4 conflict or inconsistent with the specific provisions of this chapter or
 5 the requirements of the county treasurer. Specifically and not in
 6 limitation of the foregoing sentence, the terms "person" and "gross
 7 income" shall have the same meaning in this section as they have in
 8 IC 6-2.5, except that "person" shall not include supported educational
 9 institutions. If the tax is paid to the department of state revenue, the
 10 returns to be filed for the payment of the tax under this section may be
 11 either a separate return or may be combined with the return filed for the
 12 payment of the state gross retail tax as the department of state revenue
 13 may by rule determine.

14 (d) If the tax is paid to the department of state revenue, the amounts
 15 received from the tax shall be paid quarterly by the treasurer of state to
 16 the county treasurer upon warrants issued by the auditor of state.

17 (e) The tax imposed under subsection (a) does not apply to the
 18 renting or furnishing of rooms, lodgings, or accommodations to a
 19 person for a period of thirty (30) days or more.

20 SECTION 22. IC 8-22-1-4.5 IS AMENDED TO READ AS
 21 FOLLOWS [EFFECTIVE JULY 1, 2013]: Sec. 4.5. (a) "Aviation
 22 related property or facilities" means those properties or facilities that
 23 are utilized by a lessee, or a lessee's assigns, who provides services or
 24 accommodations:

- 25 (1) for scheduled or unscheduled air carriers and air taxis, and
 26 their passengers, air cargo operations, and related ground
 27 transportation facilities;
- 28 (2) for fixed based operations;
- 29 (3) for general aviation or military users; and
- 30 (4) as aviation **manufacturing, aviation research and**
 31 **development, or aviation** maintenance and repair facilities.

32 (b) The term includes any property leased to the United States, or its
 33 agencies or instrumentalities, and any leased property identified as
 34 clear zones, ~~avigation~~ **aviation** easements, **or** safety and transition
 35 areas, as defined by the Federal Aviation Administration.

36 SECTION 23. IC 8-22-3-24 IS AMENDED TO READ AS
 37 FOLLOWS [EFFECTIVE JULY 1, 2013]: Sec. 24. **(a)** The tax levy
 38 **under section 23 of this chapter**, as finally approved by the
 39 department of local government finance, must be assessed and
 40 collected by the county treasurer of the county or counties within which
 41 the district is located as other taxes are levied and collected. The
 42 county treasurer shall remit all taxes so collected to the treasurer of the

C
o
p
y



1 authority. **Each year, the board may transfer to the authority's**
 2 **cumulative building fund an amount not to exceed five percent**
 3 **(5%) of the taxes received under this section in that year.**

4 SECTION 24. IC 20-46-1-10.5, AS ADDED BY P.L.203-2011,
 5 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 6 JULY 1, 2013]: Sec. 10.5. (a) This section applies to taxes first due and
 7 payable in 2012 or a subsequent year.

8 (b) The county auditor shall distribute proceeds collected from an
 9 allocation area (as defined in IC 6-1.1-21.2-3) that are attributable to
 10 property taxes imposed after being approved by the voters in a
 11 referendum conducted after April 30, 2010, to the taxing unit for which
 12 the referendum was conducted.

13 (c) The amount to be distributed under subsection (b) shall be
 14 treated as part of the referendum levy for purposes of setting tax rates
 15 for property taxes imposed after being approved by the voters in a
 16 referendum conducted after April 30, 2010.

17 **(d) For a school corporation that conducted a referendum after**
 18 **November 1, 2009, and before May 1, 2010, for distributions after**
 19 **2013, the county auditor shall distribute proceeds collected from an**
 20 **allocation area (as defined in IC 6-1.1-21.2-3) that are attributable**
 21 **to property taxes imposed after being approved by the voters in the**
 22 **referendum, to the school corporation for which the referendum**
 23 **was conducted. The amount to be distributed to the school**
 24 **corporation shall be treated as part of the referendum levy for**
 25 **purposes of setting the school corporation's tax rates.**

26 SECTION 25. IC 36-1.5-3-4, AS ADDED BY P.L.186-2006,
 27 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 28 JULY 1, 2013]: Sec. 4. Subject to this chapter, the department of local
 29 government finance shall adjust the maximum permissible property tax
 30 levies, maximum permissible property tax rates, and budgets of
 31 political subdivisions that enter into a reorganization under this article
 32 as the department of local government finance determines necessary,
 33 **including adjustments**, to do the following:

34 (1) Eliminate double taxation by different political subdivisions
 35 for services or goods provided under this article.

36 (2) Eliminate any excess by which the amount of property taxes
 37 imposed by a political subdivision exceeds the amount necessary
 38 to pay for services or goods provided under this article.

39 (3) Restore taxing powers of a political subdivision after the
 40 termination of a reorganization under this article that are
 41 necessary to fund governmental services to the individuals and
 42 entities served by the political subdivision.



C
o
p
y

1 (4) Restore taxing powers of a political subdivision after the
2 withdrawal of a party from a reorganization under this article that
3 are necessary to fund governmental services to the individuals
4 and entities served by the political subdivision.

5 SECTION 26. IC 36-7-32-11, AS AMENDED BY P.L.113-2010,
6 SECTION 138, IS AMENDED TO READ AS FOLLOWS
7 [EFFECTIVE JULY 1, 2013]: Sec. 11. (a) After receipt of an
8 application under section 10 of this chapter, and subject to subsection
9 (b), the Indiana economic development corporation may designate a
10 certified technology park if the corporation determines that the
11 application demonstrates a firm commitment from at least one (1)
12 business engaged in a high technology activity creating a significant
13 number of jobs and satisfies one (1) or more of the following additional
14 criteria:

15 (1) A demonstration of significant support from an institution of
16 higher education, a private research based institute, or a military
17 research and development or testing facility on an active United
18 States government military base or other military installation
19 located within, or in the vicinity of, the proposed certified
20 technology park, as evidenced by the following criteria:

- 21 (A) Grants of preferences for access to and commercialization
- 22 of intellectual property.
- 23 (B) Access to laboratory and other facilities owned by or under
- 24 the control of the postsecondary educational institution or
- 25 private research based institute.
- 26 (C) Donations of services.
- 27 (D) Access to telecommunications facilities and other
- 28 infrastructure.
- 29 (E) Financial commitments.
- 30 (F) Access to faculty, staff, and students.
- 31 (G) Opportunities for adjunct faculty and other types of staff
- 32 arrangements or affiliations.
- 33 (H) Other criteria considered appropriate by the Indiana
- 34 economic development corporation.

35 (2) A demonstration of a significant commitment by the
36 postsecondary educational institution, private research based
37 institute, or military research and development or testing facility
38 on an active United States government military base or other
39 military installation to the commercialization of research
40 produced at the certified technology park, as evidenced by the
41 intellectual property and, if applicable, tenure policies that reward
42 faculty and staff for commercialization and collaboration with

C
o
p
y



1 private businesses.

2 (3) A demonstration that the proposed certified technology park
3 will be developed to take advantage of the unique characteristics
4 and specialties offered by the public and private resources
5 available in the area in which the proposed certified technology
6 park will be located.

7 (4) The existence of or proposed development of a business
8 incubator within the proposed certified technology park that
9 exhibits the following types of resources and organization:

10 (A) Significant financial and other types of support from the
11 public or private resources in the area in which the proposed
12 certified technology park will be located.

13 (B) A business plan exhibiting the economic utilization and
14 availability of resources and a likelihood of successful
15 development of technologies and research into viable business
16 enterprises.

17 (C) A commitment to the employment of a qualified full-time
18 manager to supervise the development and operation of the
19 business incubator.

20 (5) The existence of a business plan for the proposed certified
21 technology park that identifies its objectives in a clearly focused
22 and measurable fashion and that addresses the following matters:

23 (A) A commitment to new business formation.

24 (B) The clustering of businesses, technology, and research.

25 (C) The opportunity for and costs of development of properties
26 under common ownership or control.

27 (D) The availability of and method proposed for development
28 of infrastructure and other improvements, including
29 telecommunications technology, necessary for the
30 development of the proposed certified technology park.

31 (E) Assumptions of costs and revenues related to the
32 development of the proposed certified technology park.

33 (6) A demonstrable and satisfactory assurance that the proposed
34 certified technology park can be developed to principally contain
35 property that is primarily used for, or will be primarily used for,
36 a high technology activity or a business incubator.

37 (b) The Indiana economic development corporation may not
38 approve an application that would result in a substantial reduction or
39 cessation of operations in another location in Indiana in order to
40 relocate them within the certified technology park. **The Indiana**
41 **economic development corporation may designate not more than**
42 **two (2) new certified technology parks during any state fiscal year.**

C
o
p
y



1 **The designation of a new certified technology park is subject to**
2 **review and approval under section 11.5 of this chapter.**

3 (c) A certified technology park designated under this section is
4 subject to the review of the Indiana economic development corporation
5 and must be recertified every four (4) years. The corporation shall
6 develop procedures and the criteria to be used in the review required
7 by this subsection. A certified technology park shall furnish to the
8 corporation the following information to be used in the course of the
9 review:

- 10 (1) Total employment and payroll levels for all businesses
- 11 operating within the certified technology park.
- 12 (2) The nature and extent of any technology transfer activity
- 13 occurring within the certified technology park.
- 14 (3) The nature and extent of any nontechnology businesses
- 15 operating within the certified technology park.
- 16 (4) The use and outcomes of any state money made available to
- 17 the certified technology park.
- 18 (5) An analysis of the certified technology park's overall
- 19 contribution to the technology based economy in Indiana.

20 If a certified technology park is not recertified, the Indiana economic
21 development corporation shall send a certified copy of a notice of the
22 determination to the county auditor, the department of local
23 government finance, and the department of state revenue.

24 (d) To the extent allowed under IC 5-14-3, the corporation shall
25 maintain the confidentiality of any information that is:

- 26 (1) submitted as part of the review process under subsection (c);
- 27 and
- 28 (2) marked as confidential;

29 by the certified technology park.

30 SECTION 27. IC 36-7-32-11.5 IS ADDED TO THE INDIANA
31 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
32 [EFFECTIVE JULY 1, 2013]: **Sec. 11.5. (a) If the Indiana economic**
33 **development corporation desires to designate a certified technology**
34 **park under this chapter, the corporation shall submit its proposed**
35 **designation to the budget committee for review and**
36 **recommendation to the budget agency. The budget committee shall**
37 **meet not later than sixty (60) days after receipt of the proposed**
38 **designation and shall make a recommendation on the designation**
39 **to the budget agency.**

40 (b) When considering the proposed designation of a certified
41 technology park by the corporation under this section, the budget
42 committee and the budget agency must make the following findings

C
o
p
y



1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42

before approving the designation:

(1) The area to be designated as a certified technology park meets the conditions necessary for the designation as a certified technology park.

(2) The designation of the certified technology park will benefit the people of Indiana by protecting or increasing state and local tax bases and tax revenues for at least the duration of the certified technology park.

(c) The income tax incremental amount and the gross retail incremental amount may not be allocated to the certified technology park until the designation of the certified technology park is approved under this section.

SECTION 28. [EFFECTIVE UPON PASSAGE] (a) This SECTION applies to the town of Zionsville in Boone County.

(b) The department of local government finance shall increase the town's maximum permissible ad valorem property tax levy for 2014 by the amount of the actual 2012 property tax levy that was imposed by the town for the fire equipment replacement fund within the fire protection territory in which the town was a participating unit.

(c) The town's maximum permissible ad valorem property tax levy for property taxes first due and payable in 2014, as adjusted under this SECTION, shall be used in the determination of the town's maximum permissible ad valorem property tax levy for property taxes first due and payable in 2014 and thereafter.

(d) This SECTION expires July 1, 2016.

SECTION 29. [EFFECTIVE UPON PASSAGE] (a) This SECTION applies to a township that submitted a petition under P.L.137-2012, SECTION 125 to the department of local government finance for an increase in the maximum permissible ad valorem property tax levy under IC 36-8-13 (for township fire protection and emergency services) for property taxes first due and payable in 2013.

(b) Notwithstanding the effective date of P.L.137-2012, SECTION 125, the actions of the department of local government finance as a result of the petition are legalized and validated.

(c) This SECTION expires July 1, 2015.

SECTION 30. [EFFECTIVE UPON PASSAGE] (a) IC 6-1.1-20.6-2, as amended by this act, applies only to property taxes first due and payable after December 31, 2013.

(b) This SECTION expires July 1, 2016.

SECTION 31. [EFFECTIVE JANUARY 1, 2007

C
o
p
y



- 1 (RETROACTIVE)] (a) This SECTION applies notwithstanding
- 2 IC 6-1.1-10, IC 6-1.1-11, or any other law or administrative rule or
- 3 provision.
- 4 (b) This SECTION applies to the March 1, 2007, and March 1,
- 5 2008, assessment dates.
- 6 (c) As used in this SECTION, "eligible property" means the real
- 7 property described in subsection (d).
- 8 (d) As used in this SECTION, "qualified taxpayer" refers to a
- 9 church that:
- 10 (1) purchased real property in June 2007;
- 11 (2) has used the real property for church purposes since
- 12 purchasing the real property; and
- 13 (3) filed a property tax exemption application for the real
- 14 property in June 2007.
- 15 (e) A qualified taxpayer may, before September 1, 2013, file a
- 16 property tax exemption application and supporting documents
- 17 claiming a property tax exemption under IC 6-1.1-10-16 and this
- 18 SECTION for the eligible property for the March 1, 2007, and
- 19 March 1, 2008, assessment dates.
- 20 (f) A property tax exemption application filed under subsection
- 21 (e) by a qualified taxpayer is considered to have been timely filed.
- 22 (g) If a qualified taxpayer demonstrates in the property tax
- 23 exemption application filed under subsection (e) or by other means
- 24 that the eligible property would have qualified for an exemption
- 25 under IC 6-1.1-10-16 for the March 1, 2007, and March 1, 2008,
- 26 assessment dates if the property tax exemption application had
- 27 been filed under IC 6-1.1-11 in a timely manner for the March 1,
- 28 2007, and March 1, 2008, assessment dates and the taxpayer had
- 29 owned the real property on May 1, 2007:
- 30 (1) the property tax exemption for the eligible property shall
- 31 be allowed and granted for the March 1, 2007, and March 1,
- 32 2008, assessment dates by the county assessor and county
- 33 auditor of the county in which the eligible property is located;
- 34 (2) the qualified taxpayer is not required to pay any property
- 35 taxes, penalties, or interest with respect to the eligible
- 36 property for the March 1, 2007, and March 1, 2008,
- 37 assessment dates; and
- 38 (3) to the extent the qualified taxpayer has paid any property
- 39 taxes, penalties, or interest with respect to the eligible
- 40 property for the March 1, 2007, and March 1, 2008,
- 41 assessment dates, the eligible taxpayer is entitled to a refund
- 42 of the amounts paid.

COPY



1 The county auditor may pay the refund in two (2) equal
2 installments over a two (2) year period.

3 (h) The exemption allowed by this SECTION shall be applied
4 without need of any further ruling or action by the county assessor,
5 the county auditor, or the county property tax assessment board of
6 appeals of the county in which the eligible property is located or by
7 the Indiana board of tax review.

8 (i) This SECTION expires July 1, 2017.

9 SECTION 32. [EFFECTIVE JANUARY 1, 2011
10 (RETROACTIVE)] (a) This SECTION applies notwithstanding
11 IC 6-1.1-10, IC 6-1.1-11, or any other law or administrative rule or
12 provision.

13 (b) This SECTION applies to the March 1, 2011, and March 1,
14 2012, assessment dates.

15 (c) As used in this SECTION, "eligible property" means the
16 parcel of real property described in subsection (d)(1) for which the
17 qualified taxpayer failed to timely file the property tax exemption
18 application.

19 (d) As used in this SECTION, "qualified taxpayer" refers to a
20 nonprofit corporation that:

21 (1) owns multiple parcels of real property in Marion County
22 that are owned, occupied, and used for educational, literary,
23 scientific, religious, or charitable purposes described in
24 IC 6-1.1-10-16; and

25 (2) failed to timely file a property tax exemption application
26 for one (1) of the parcels described in subdivision (1) for the
27 March 1, 2011, assessment date.

28 (e) A qualified taxpayer may, before September 1, 2013, file a
29 property tax exemption application and supporting documents
30 claiming a property tax exemption under IC 6-1.1-10-16 and this
31 SECTION for the eligible property for the March 1, 2011, and
32 March 1, 2012, assessment dates.

33 (f) A property tax exemption application filed under subsection
34 (e) by a qualified taxpayer is considered to have been timely filed.

35 (g) If a qualified taxpayer demonstrates in the property tax
36 exemption application filed under subsection (e) or by other means
37 that the eligible property would have qualified for an exemption
38 under IC 6-1.1-10-16 for the March 1, 2011, and March 1, 2012,
39 assessment dates if the property tax exemption application had
40 been filed under IC 6-1.1-11 in a timely manner for the March 1,
41 2011, and March 1, 2012, assessment dates:

42 (1) the property tax exemption for the eligible property shall

C
O
P
Y



1 be allowed and granted for the March 1, 2011, and March 1,
2 2012, assessment dates by the county assessor and county
3 auditor of Marion County;

4 (2) the qualified taxpayer is not required to pay any property
5 taxes, penalties, or interest with respect to the eligible
6 property for the March 1, 2011, and March 1, 2012,
7 assessment dates; and

8 (3) to the extent the qualified taxpayer has paid any property
9 taxes, penalties, or interest with respect to the eligible
10 property for the March 1, 2011, and March 1, 2012,
11 assessment dates, the eligible taxpayer is entitled to a refund
12 of the amounts paid.

13 The county auditor may pay the refund in two (2) equal
14 installments over a two (2) year period.

15 (h) The exemption allowed by this SECTION shall be applied
16 without need of any further ruling or action by the county assessor,
17 the county auditor, or the county property tax assessment board of
18 appeals of Marion County or by the Indiana board of tax review.

19 (i) This SECTION expires July 1, 2017.

20 SECTION 33. [EFFECTIVE UPON PASSAGE] (a) This
21 SECTION applies notwithstanding IC 6-1.1-10, IC 6-1.1-11, or any
22 other law or administrative rule or provision.

23 (b) This SECTION applies to the March 1, 2009, March 1, 2010,
24 March 1, 2011, and March 1, 2012, assessment dates.

25 (c) As used in this SECTION, "eligible property" means a
26 vacant parcel of real property in Marion County that is owned, is
27 occupied, and will be used for educational, literary, scientific,
28 religious, or charitable purposes described in IC 6-1.1-10-16.

29 (d) As used in this SECTION, "qualified taxpayer" refers to a
30 ministry that:

31 (1) is exempt from federal income taxes;

32 (2) owns an eligible property;

33 (3) acquired the eligible property after the 2012 assessment
34 date; and

35 (4) redeemed the eligible property after it was sold for
36 delinquent taxes in 2012.

37 (e) A qualified taxpayer may before September 1, 2013, file a
38 property tax exemption application and supporting documents
39 claiming a property tax exemption under IC 6-1.1-10-16 and this
40 SECTION for the eligible property for the March 1, 2012,
41 assessment date.

42 (f) A property tax exemption application filed under subsection

C
O
P
Y



1 (e) by a qualified taxpayer is considered to have been timely filed.

2 (g) If a qualified taxpayer demonstrates in the property tax
3 exemption application filed under subsection (e) or by other means
4 that the eligible property would have qualified for an exemption
5 under IC 6-1.1-10-16 for the March 1, 2012, assessment date if the
6 property tax exemption application had been filed under
7 IC 6-1.1-11 in a timely manner for the March 1, 2012, assessment
8 date:

9 (1) the property tax exemption for the eligible property shall
10 be allowed and granted for the March 1, 2012, assessment
11 date by the county assessor and county auditor of Marion
12 County; and

13 (2) the qualified taxpayer is not required to pay any property
14 taxes, penalties, or interest with respect to the eligible
15 property for the March 1, 2012, assessment date.

16 (h) To the extent the qualified taxpayer has:

17 (1) paid any property taxes, penalties, or interest with respect
18 to the eligible property for the March 1, 2009, March 1, 2010,
19 and March 1, 2011, assessment dates; or

20 (2) paid to redeem the property under IC 6-1.1-24 and
21 IC 6-1.1-25;

22 the eligible taxpayer is entitled to a refund of the amounts paid.
23 Notwithstanding the filing deadlines for a claim in IC 6-1.1-26, any
24 claim for a refund filed by an eligible taxpayer under this
25 subsection before September 1, 2013, is considered timely filed.

26 (i) The exemption allowed by this SECTION shall be applied
27 without need of any further ruling or action by the county assessor,
28 the county auditor, or the county property tax assessment board of
29 appeals of Marion County or by the Indiana board of tax review.

30 (j) This SECTION expires July 1, 2017.

31 SECTION 34. [EFFECTIVE UPON PASSAGE] (a) This
32 SECTION applies notwithstanding IC 6-1.1-10, IC 6-1.1-11, or any
33 other law or administrative rule or provision.

34 (b) This SECTION applies to the March 1, 2012, and March 1,
35 2013, assessment dates.

36 (c) As used in this SECTION, "eligible property" means real
37 property in Grant County that is:

38 (1) a national historic landmark; and

39 (2) owned, occupied, and used for educational, literary,
40 scientific, religious, or charitable purposes described in
41 IC 6-1.1-10-16.

42 (d) As used in this SECTION, "qualified taxpayer" refers to a

C
o
p
y



1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42

charitable organization that:

- (1) is exempt from federal income taxes;**
- (2) owns an eligible property; and**
- (3) acquired the eligible property after the 2011 assessment date.**

(e) A qualified taxpayer may before September 1, 2013, file a property tax exemption application and supporting documents claiming a property tax exemption under IC 6-1.1-10-16 and this SECTION for the eligible property for the March 1, 2012, and March 1, 2013, assessment dates.

(f) A property tax exemption application filed under subsection (e) by a qualified taxpayer is considered to have been timely filed.

(g) If a qualified taxpayer demonstrates in the property tax exemption application filed under subsection (e) or by other means that the eligible property would have qualified for an exemption under IC 6-1.1-10-16 for the March 1, 2012, and March 1, 2013, assessment dates if the property tax exemption application had been filed under IC 6-1.1-11 in a timely manner for the March 1, 2012, assessment date:

- (1) the property tax exemption for the eligible property shall be allowed and granted for the March 1, 2012, and March 1, 2013, assessment dates by the county assessor and county auditor of Grant County; and**
- (2) the qualified taxpayer is not required to pay any property taxes, penalties, or interest with respect to the eligible property for the March 1, 2012, and March 1, 2013, assessment dates.**

(h) The exemption allowed by this SECTION shall be applied without need of any further ruling or action by the county assessor, the county auditor, or the county property tax assessment board of appeals of Grant County or by the Indiana board of tax review.

(i) This SECTION expires July 1, 2017.

SECTION 35. [EFFECTIVE JULY 1, 2013] (a) As used in this SECTION, "taxing unit" has the meaning set forth in IC 6-1.1-17-20(b).

(b) If:

- (1) the fiscal body of a city or town adopted a final budget and levy for a taxing unit under IC 6-1.1-17-20(e) (before its amendment by this act) after June 30, 2012, and before July 1, 2013;**
- (2) after June 30, 2012, and before July 1, 2013, IC 6-1.1-17-20(c) and IC 6-1.1-17-20(d) (before their**

C
o
p
y



1 amendment by this act) required the taxing unit to submit the
 2 taxing unit's proposed budget and levy to the fiscal body of a
 3 county; and

4 (3) after June 30, 2013, IC 6-1.1-17-20(c)(2)(B) (as amended
 5 by this act) requires the taxing unit to submit the taxing unit's
 6 proposed budget and levy to the fiscal body of the city or town
 7 that appoints the majority of the individuals serving on the
 8 governing board of the taxing unit;

9 the action taken by the fiscal body of the city or town under
 10 IC 6-1.1-17-20(e) (before its amendment by this act) to adopt a
 11 final budget and levy for the taxing unit after June 30, 2012, and
 12 before July 1, 2013, is legalized and validated.

13 (c) This SECTION expires January 1, 2014.

14 SECTION 36. [EFFECTIVE UPON PASSAGE] (a) This
 15 SECTION applies only to the school city of Mishawaka.

16 (b) Notwithstanding any order, decision, or finding of the
 17 department of local government finance to the contrary, the budget
 18 of the school city of Mishawaka for calendar year 2013 is the
 19 budget advertised by the school city under IC 6-1.1-17.

20 (c) Any order, decision, or finding of the department of local
 21 government finance adjusting the calendar year 2013 budget
 22 advertised by the school city of Mishawaka is void.

23 (d) The school city of Mishawaka is entitled to levy and collect
 24 property taxes in 2013 based on the calendar year 2013 budget
 25 advertised by the school city. However, the county auditor is not
 26 required to recalculate property tax statements with respect to the
 27 first installment of property taxes due under IC 6-1.1-22-9 in 2013.

28 (e) The department of local government finance shall assist the
 29 county auditor of St. Joseph County and the school city of
 30 Mishawaka in implementing this SECTION. The department of
 31 local government finance shall:

32 (1) recalculate tax rates for the property tax levies imposed by
 33 the school city of Mishawaka; and

34 (2) assist the county auditor in applying the recalculated rates
 35 to the second installment of property taxes due under
 36 IC 6-1.1-22-9 in calendar year 2013.

37 (f) The county treasurer of St. Joseph County shall transmit to
 38 the taxpayers of the school city of Mishawaka a revised property
 39 tax statement under IC 6-1.1-22 reflecting the calculations made
 40 under subsection (e).

41 (g) The department of local government finance may not make
 42 an order, decision, or finding that adversely affects a budget or

C
O
P
Y



1 levy of the city of Mishawaka because of the changes to the budget
2 and levy of the school city of Mishawaka for calendar year 2013
3 that are required by this SECTION.

4 (h) This SECTION expires June 30, 2014.

5 SECTION 37. [EFFECTIVE JULY 1, 2013] (a) This SECTION
6 applies to the Union-Lakeville fire protection territory in St.
7 Joseph County.

8 (b) The executive of the provider unit may, upon approval by
9 the fiscal body of the provider unit, submit a petition to the
10 department of local government finance for an increase in the
11 provider unit's maximum permissible ad valorem property tax levy
12 for purposes of IC 36-8-19 for property taxes first due and payable
13 in 2014.

14 (c) If a petition is submitted under subsection (b), the
15 department of local government finance shall increase the provider
16 unit's maximum permissible ad valorem property tax levy for
17 purposes of IC 36-8-19 for property taxes first due and payable in
18 2014 by the amount necessary to increase the provider unit's
19 maximum permissible ad valorem property tax levy for purposes
20 of IC 36-8-19 to seventy percent (70%) of the amount of the
21 provider unit's maximum permissible ad valorem property tax levy
22 for purposes of IC 36-8-19 that applied to taxes first due and
23 payable in 2006.

24 (d) A provider unit's maximum permissible ad valorem
25 property tax levy for purposes of IC 36-8-19 for property taxes
26 first due and payable in 2014, as adjusted under this SECTION,
27 shall be used in the determination of the provider unit's maximum
28 permissible ad valorem property tax levy for purposes of
29 IC 36-8-19 for property taxes first due and payable in 2015 and
30 thereafter.

31 (e) This SECTION expires January 1, 2016.

32 SECTION 38. [EFFECTIVE JULY 1, 2013] (a) IC 8-22-1-4.5, as
33 amended by this act, applies to property taxes imposed for an
34 assessment date after December 31, 2013.

35 (b) This SECTION expires January 1, 2016.

36 SECTION 39. An emergency is declared for this act.

C
o
p
y



COMMITTEE REPORT

Madam President: The Senate Committee on Tax and Fiscal Policy, to which was referred Senate Bill No. 494, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 6-1.1-10-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2014]: Sec. 2. **(a)** Except as otherwise provided by law, the property owned by this state, a state agency, or the bureau of motor vehicles commission is exempt from property taxation.

(b) Real property leased to a state agency is exempt from property taxes if the lease requires the state agency to reimburse the owner for property taxes.

SECTION 2. IC 6-1.1-10-45 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2014]: Sec. 45. **(a) Tangible personal property consisting of a sign that is manufactured for the Indiana department of transportation in order for the department to comply with 23 U.S.C. 131 is exempt from personal property taxation.**

(b) The owner of personal property that wishes to obtain the exemption provided by this section must file an exemption claim along with the owner's annual personal property tax return. The claim must describe and state the assessed value of the personal property for which an exemption is claimed.

(c) The township or county assessor shall:

(1) review the exemption claim; and

(2) allow or deny the exemption claim in whole or in part.

The assessor's action is subject to all the provisions of this article pertaining to notice, review, or appeal of personal property assessments.

(d) The township or county assessor shall reduce the assessed value of the owner's personal property for the year for which the exemption is claimed by the amount of exemption allowed.

SECTION 3. IC 6-1.1-14-12 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2013]: Sec. 12. **(a) As part of the review under IC 6-1.1-33.5-3(4) and IC 6-1.1-33.5-3(5) of the coefficient of dispersion study and property sales assessment ratio study submitted by a county under 50 IAC 27-4-4, the department of local government finance shall**

ES 494—LS 7289/DI 58+



C
O
P
Y

conduct the review and analysis described in this section.

(b) The department shall:

(1) conduct its review and analysis for studies submitted in 2013 through 2017; and

(2) review and analyze only data and studies for property that is classified as improved residential property in townships having a population of more than one hundred thirty thousand (130,000).

(c) The department shall separate each township described in subsection (b) into four (4) comparable groups of parcels as determined by the department. The department shall:

(1) separately review and analyze for each group of parcels data used for the coefficient of dispersion study and the property sales assessment ratio study submitted by the county; and

(2) prepare a coefficient of dispersion study and a property sales assessment ratio study for each group of parcels."

Page 5, between lines 33 and 34, begin a new paragraph and insert: "SECTION 5. IC 6-1.1-20-12, AS ADDED BY P.L.203-2011, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2013]: Sec. 12. (a) This section applies to taxes first due and payable in 2012 or a subsequent year.

(b) The county auditor shall distribute proceeds collected from an allocation area (as defined in IC 6-1.1-21.2-3) that are attributable to property taxes imposed after being approved by the voters in a referendum conducted after April 30, 2010, to the taxing unit for which the referendum was conducted.

(c) The amount to be distributed under subsection (b) shall be treated as part of the referendum levy for purposes of setting tax rates for property taxes imposed after being approved by the voters in a referendum conducted after April 30, 2010.

(d) For a school corporation that conducted a referendum after November 1, 2009, and before May 1, 2010, for distributions after 2013, the county auditor shall distribute proceeds collected from an allocation area (as defined in IC 6-1.1-21.2-3) that are attributable to property taxes imposed after being approved by the voters in the referendum, to the school corporation for which the referendum was conducted. The amount to be distributed to the school corporation shall be treated as part of the referendum levy for purposes of setting the school corporation's tax rates."

Page 5, delete lines 41 through 42, begin a new paragraph and insert:

C
O
P
Y



"SECTION 6. IC 6-1.1-33.5-3, AS AMENDED BY P.L.182-2009(ss), SECTION 169, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2013]: Sec. 3. The division of data analysis shall:

- (1) conduct continuing studies in the areas in which the department of local government finance operates;
- (2) make periodic field surveys and audits of:
 - (A) tax rolls;
 - (B) plat books;
 - (C) building permits;
 - (D) real estate transfers; and
 - (E) other data that may be useful in checking property valuations or taxpayer returns;
- (3) make test checks of property valuations to serve as the bases for special reassessments under this article;
- (4) conduct ~~biennially~~ **annually** a **review of each** coefficient of dispersion study for each township and county; ~~in Indiana;~~
- (5) conduct ~~quadrennially~~ **annually** a **review of each** sales assessment ratio study for each township and county; ~~in Indiana;~~ and
- (6) report annually to the executive director of the legislative services agency, in an electronic format under IC 5-14-6, the information obtained or determined under this section for use by the executive director and the general assembly, including:
 - (A) all information obtained by the division of data analysis from units of local government; and
 - (B) all information included in:
 - (i) the local government data base; and
 - (ii) any other data compiled by the division of data analysis."

Delete page 6.

Page 7, delete lines 1 through 18.

Page 8, between lines 18 and 19, begin a new paragraph and insert:
 "SECTION 7. IC 6-2.5-5-47 IS ADDED TO THE INDIANA CODE AS A **NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2013]: Sec. 47. A transaction involving petroleum based fuel is exempt from the state gross retail tax if the person acquires the fuel for use in powering an aircraft.**"

Page 12, between lines 29 and 30, begin a new paragraph and insert:

"SECTION 13. IC 20-46-1-10.5, AS ADDED BY P.L.203-2011, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2013]: Sec. 10.5. (a) This section applies to taxes first due and

ES 494—LS 7289/DI 58+



C
O
P
Y

payable in 2012 or a subsequent year.

(b) The county auditor shall distribute proceeds collected from an allocation area (as defined in IC 6-1.1-21.2-3) that are attributable to property taxes imposed after being approved by the voters in a referendum conducted after April 30, 2010, to the taxing unit for which the referendum was conducted.

(c) The amount to be distributed under subsection (b) shall be treated as part of the referendum levy for purposes of setting tax rates for property taxes imposed after being approved by the voters in a referendum conducted after April 30, 2010.

(d) For a school corporation that conducted a referendum after November 1, 2009, and before May 1, 2010, for distributions after 2013, the county auditor shall distribute proceeds collected from an allocation area (as defined in IC 6-1.1-21.2-3) that are attributable to property taxes imposed after being approved by the voters in the referendum, to the school corporation for which the referendum was conducted. The amount to be distributed to the school corporation shall be treated as part of the referendum levy for purposes of setting the school corporation's tax rates."

Page 17, between lines 3 and 4, begin a new paragraph and insert:

"SECTION 19. [EFFECTIVE JANUARY 1, 2007 (RETROACTIVE)] **(a) This SECTION applies notwithstanding IC 6-1.1-10, IC 6-1.1-11, or any other law or administrative rule or provision.**

(b) This SECTION applies to the March 1, 2007, and March 1, 2008, assessment dates.

(c) As used in this SECTION, "eligible property" means the real property described in subsection (d).

(d) As used in this SECTION, "qualified taxpayer" refers to a church that:

- (1) purchased real property in June 2007;**
- (2) has used the real property for church purposes since purchasing the real property; and**
- (3) filed a property tax exemption application for the real property in June 2007.**

(e) A qualified taxpayer may, before September 1, 2013, file a property tax exemption application and supporting documents claiming a property tax exemption under IC 6-1.1-10-16 and this SECTION for the eligible property for the March 1, 2007, and March 1, 2008, assessment dates.

(f) A property tax exemption application filed under subsection (e) by a qualified taxpayer is considered to have been timely filed.

C
O
P
Y



(g) If a qualified taxpayer demonstrates in the property tax exemption application filed under subsection (e) or by other means that the eligible property would have qualified for an exemption under IC 6-1.1-10-16 for the March 1, 2007, and March 1, 2008, assessment dates if the property tax exemption application had been filed under IC 6-1.1-11 in a timely manner for the March 1, 2007, and March 1, 2008, assessment dates and the taxpayer had owned the real property on May 1, 2007:

- (1) the property tax exemption for the eligible property shall be allowed and granted for the March 1, 2007, and March 1, 2008, assessment dates by the county assessor and county auditor of the county in which the eligible property is located;**
- (2) the qualified taxpayer is not required to pay any property taxes, penalties, or interest with respect to the eligible property for the March 1, 2007, and March 1, 2008, assessment dates; and**
- (3) to the extent the qualified taxpayer has paid any property taxes, penalties, or interest with respect to the eligible property for the March 1, 2007, and March 1, 2008, assessment dates, the eligible taxpayer is entitled to a refund of the amounts paid.**

The county auditor may pay the refund in two (2) equal installments over a two (2) year period.

(h) The exemption allowed by this SECTION shall be applied without need of any further ruling or action by the county assessor, the county auditor, or the county property tax assessment board of appeals of the county in which the eligible property is located or by the Indiana board of tax review.

(i) This SECTION expires July 1, 2017.

SECTION 20. [EFFECTIVE JANUARY 1, 2011 (RETROACTIVE)] (a) This SECTION applies notwithstanding IC 6-1.1-10, IC 6-1.1-11, or any other law or administrative rule or provision.

(b) This SECTION applies to the March 1, 2011, and March 1, 2012, assessment dates.

(c) As used in this SECTION, "eligible property" means the parcel of real property described in subsection (d)(1) for which the qualified taxpayer failed to timely file the property tax exemption application.

(d) As used in this SECTION, "qualified taxpayer" refers to a nonprofit corporation that:

- (1) owns multiple parcels of real property in Marion County**

C
o
p
y



that are owned, occupied, and used for educational, literary, scientific, religious, or charitable purposes described in IC 6-1.1-10-16; and

(2) failed to timely file a property tax exemption application for one (1) of the parcels described in subdivision (1) for the March 1, 2011, assessment date.

(e) A qualified taxpayer may, before September 1, 2013, file a property tax exemption application and supporting documents claiming a property tax exemption under IC 6-1.1-10-16 and this SECTION for the eligible property for the March 1, 2011, and March 1, 2012, assessment dates.

(f) A property tax exemption application filed under subsection (e) by a qualified taxpayer is considered to have been timely filed.

(g) If a qualified taxpayer demonstrates in the property tax exemption application filed under subsection (e) or by other means that the eligible property would have qualified for an exemption under IC 6-1.1-10-16 for the March 1, 2011, and March 1, 2012, assessment dates if the property tax exemption application had been filed under IC 6-1.1-11 in a timely manner for the March 1, 2011, and March 1, 2012, assessment dates:

(1) the property tax exemption for the eligible property shall be allowed and granted for the March 1, 2011, and March 1, 2012, assessment dates by the county assessor and county auditor of Marion County;

(2) the qualified taxpayer is not required to pay any property taxes, penalties, or interest with respect to the eligible property for the March 1, 2011, and March 1, 2012, assessment dates; and

(3) to the extent the qualified taxpayer has paid any property taxes, penalties, or interest with respect to the eligible property for the March 1, 2011, and March 1, 2012, assessment dates, the eligible taxpayer is entitled to a refund of the amounts paid.

The county auditor may pay the refund in two (2) equal installments over a two (2) year period.

C
O
P
Y



(h) The exemption allowed by this SECTION shall be applied without need of any further ruling or action by the county assessor, the county auditor, or the county property tax assessment board of appeals of Marion County or by the Indiana board of tax review.

(i) This SECTION expires July 1, 2017."

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to SB 494 as introduced.)

HERSHMAN, Chairperson

Committee Vote: Yeas 10, Nays 0.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred Senate Bill 494, 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 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 6-1.1-3-24, AS ADDED BY P.L.137-2012, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2013]: Sec. 24. (a) In determining the assessed value of various sizes of outdoor advertising signs for the 2011 through ~~2014~~ **2016** assessment dates, a taxpayer and assessing official shall use the following table without any adjustments:

Single Pole Structure

Type of Sign	Value Per Structure
At least 48 feet, illuminated	\$5,000
At least 48 feet, non-illuminated	\$4,000
At least 26 feet and under 48 feet, illuminated	\$4,000
At least 26 feet and under 48 feet, non-illuminated	\$3,300
Under 26 feet, illuminated	\$3,200
Under 26 feet, non-illuminated	\$2,600
Other Types of Outdoor Signs	
At least 50 feet, illuminated	\$2,500
At least 50 feet, non-illuminated	\$1,500
At least 40 feet and under 50 feet, illuminated	\$2,000
At least 40 feet and under 50 feet,	

ES 494—LS 7289/DI 58+



C
O
P
Y

non-illuminated	\$1,300
At least 30 feet and under 40 feet, illuminated	\$2,000
At least 30 feet and under 40 feet, non-illuminated	\$1,300
At least 20 feet and under 30 feet, illuminated	\$1,600
At least 20 feet and under 30 feet, non-illuminated	\$1,000
Under 20 feet, illuminated	\$1,600
Under 20 feet, non-illuminated	\$1,000

(b) ~~During the 2012 legislative interim, the commission on state tax and financing policy shall study the assessment of outdoor signs. Before January 1, 2013, the commission shall report to the general assembly on any suggested changes in the law with regard to assessing outdoor signs.~~

(c) ~~This section expires July 1, 2015.~~ **2017.**"

Page 1, line 8, after "taxes." insert **"If a state agency leases less than all of a parcel of real property, the exemption provided by this subsection is a partial exemption that is equal to the part of the gross assessed value of the real property attributable to the part of the real property leased by the state agency."**

Page 7, between lines 1 and 2, begin a new paragraph and insert:

"SECTION 6. IC 6-1.1-17-20, AS AMENDED BY P.L.137-2012, SECTION 27, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2013]: Sec. 20. (a) This section applies to each governing body of a taxing unit that is not comprised of a majority of officials who are elected to serve on the governing body. For purposes of this section, an individual who qualifies to be appointed to a governing body or serves on a governing body because of the individual's status as an elected official of another taxing unit shall be treated as an official who was not elected to serve on the governing body.

(b) As used in this section, "taxing unit" has the meaning set forth in IC 6-1.1-1-21, except that the term does not include a public library or an entity whose tax levies are subject to review and modification by a city-county legislative body under IC 36-3-6-9.

(c) If:

- (1) the assessed valuation of a taxing unit is entirely contained within a city or town; or
- (2) the assessed valuation of a taxing unit is not entirely contained within a city or town but:
 - (A) the taxing unit was originally established by the city or town; or
 - (B) the majority of the individuals serving on the

C
O
P
Y



governing body of the taxing unit are appointed by the city or town;

the governing body shall submit its proposed budget and property tax levy to the city or town fiscal body. The proposed budget and levy shall be submitted to the city or town fiscal body in the manner prescribed by the department of local government finance before September 2 of a year. ~~However, in the case of a public library that is subject to this section and is described in subdivision (2), the public library shall submit its proposed budget and property tax levy to the county fiscal body in the manner provided in subsection (d); rather than to the city or town fiscal body, if more than fifty percent (50%) of the parcels of real property within the jurisdiction of the public library are located outside the city or town.~~

(d) If subsection (c) does not apply, the governing body of the taxing unit shall submit its proposed budget and property tax levy to the county fiscal body in the county where the taxing unit has the most assessed valuation. The proposed budget and levy shall be submitted to the county fiscal body in the manner prescribed by the department of local government finance before September 2 of a year.

(e) The fiscal body of the city, town, or county (whichever applies) shall review each budget and proposed tax levy and adopt a final budget and tax levy for the taxing unit. The fiscal body may reduce or modify but not increase the proposed budget or tax levy.

(f) If a taxing unit fails to file the information required in subsection (c) or (d), whichever applies, with the appropriate fiscal body by the time prescribed by this section, the most recent annual appropriations and annual tax levy of that taxing unit are continued for the ensuing budget year.

(g) If the appropriate fiscal body fails to complete the requirements of subsection (e) before the adoption deadline in section 5 of this chapter for any taxing unit subject to this section, the most recent annual appropriations and annual tax levy of the city, town, or county, whichever applies, are continued for the ensuing budget year.

SECTION 7. IC 6-1.1-18-12, AS AMENDED BY SEA 85-2013, SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2013]: Sec. 12. (a) For purposes of this section, "maximum rate" refers to the maximum:

- (1) property tax rate or rates; or
 - (2) special benefits tax rate or rates;
- referred to in the statutes listed in subsection (d).

(b) The maximum rate for taxes first due and payable after 2003 is the maximum rate that would have been determined under subsection

C
O
P
Y



(e) for taxes first due and payable in 2003 if subsection (e) had applied for taxes first due and payable in 2003.

(c) The maximum rate must be adjusted each year to account for the change in assessed value of real property that results from:

- (1) an annual adjustment of the assessed value of real property under IC 6-1.1-4-4.5;
- (2) a general reassessment of real property under IC 6-1.1-4-4; or
- (3) a reassessment under a county's reassessment plan prepared under IC 6-1.1-4-4.2.

(d) The statutes to which subsection (a) refers are:

- (1) IC 8-10-5-17;
- (2) IC 8-22-3-11;
- (3) IC 8-22-3-25;
- (4) IC 12-29-1-1;
- (5) IC 12-29-1-2;
- (6) IC 12-29-1-3;
- (7) IC 12-29-3-6;
- (8) IC 13-21-3-12;
- (9) IC 13-21-3-15;
- (10) IC 14-27-6-30;
- (11) IC 14-33-7-3;
- (12) IC 14-33-21-5;
- (13) IC 15-14-7-4;
- (14) IC 15-14-9-1;
- (15) IC 15-14-9-2;
- (16) IC 16-20-2-18;
- (17) IC 16-20-4-27;
- (18) IC 16-20-7-2;
- (19) IC 16-22-14;
- (20) IC 16-23-1-29;
- (21) IC 16-23-3-6;
- (22) IC 16-23-4-2;
- (23) IC 16-23-5-6;
- (24) IC 16-23-7-2;
- (25) IC 16-23-8-2;
- (26) IC 16-23-9-2;
- (27) IC 16-41-15-5;
- (28) IC 16-41-33-4;
- (29) IC 20-46-2-3 (before its repeal on January 1, 2009);
- (30) IC 20-46-6-5;
- (31) IC 20-49-2-10;
- (32) IC 36-1-19-1;

C
o
p
y



- (33) IC 23-14-66-2;
 (34) IC 23-14-67-3;
 (35) IC 36-7-13-4;
 (36) IC 36-7-14-28;
 (37) IC 36-7-15.1-16;
 (38) IC 36-8-19-8.5;
 (39) IC 36-9-6.1-2;
 (40) IC 36-9-17.5-4;
 (41) IC 36-9-27-73;
 (42) IC 36-9-29-31;
 (43) IC 36-9-29.1-15;
 (44) IC 36-10-6-2;
 (45) IC 36-10-7-7;
 (46) IC 36-10-7-8;
 (47) IC 36-10-7.5-19;
 (48) IC 36-10-13-5;
 (49) IC 36-10-13-7;
 (50) IC 36-10-14-4;
 (51) IC 36-12-7-7;
 (52) IC 36-12-7-8;
 (53) IC 36-12-12-10;
 (54) a statute listed in IC 6-1.1-18.5-9.8; and
 (55) any statute enacted after December 31, 2003, that:
- (A) establishes a maximum rate for any part of the:
 - (i) property taxes; or
 - (ii) special benefits taxes;
 imposed by a political subdivision; and
 - (B) does not exempt the maximum rate from the adjustment under this section.
- (e) For property tax rates imposed for property taxes first due and payable after December 31, 2012, the new maximum rate under a statute listed in subsection (d) is the tax rate determined under STEP EIGHT of the following STEPS:
- STEP ONE: Except as provided in subsection (g), determine the maximum rate for the political subdivision levying a property tax or special benefits tax under the statute for the year preceding the year in which the annual adjustment or the reassessment under IC 6-1.1-4-4 or IC 6-1.1-4-4.2 takes effect.
- STEP TWO: Determine the actual percentage change (rounded to the nearest one-hundredth percent (0.01%)) in the assessed value (before the adjustment, if any, under IC 6-1.1-4-4.5) of the taxable property from the year preceding the year the annual adjustment

C
o
p
y



or the reassessment under IC 6-1.1-4-4 or IC 6-1.1-4-4.2 takes effect to the year that the annual adjustment or the reassessment under IC 6-1.1-4-4 or IC 6-1.1-4-4.2 takes effect.

STEP THREE: Determine the three (3) calendar years that immediately precede the ensuing calendar year and in which a statewide general reassessment of real property under IC 6-1.1-4-4 does not first take effect.

STEP FOUR: Compute separately, for each of the calendar years determined in STEP THREE, the actual percentage change (rounded to the nearest one-hundredth percent (0.01%)) in the assessed value (before the adjustment, if any, under IC 6-1.1-4-4.5) of the taxable property from the preceding year.

STEP FIVE: Divide the sum of the three (3) quotients computed in STEP FOUR by three (3).

STEP SIX: Determine the greater of the following:

- (A) Zero (0).
- (B) The STEP FIVE result.

STEP SEVEN: Determine the greater of the following:

- (A) Zero (0).
- (B) The result of the STEP TWO percentage minus the STEP SIX percentage.

STEP EIGHT: Determine the quotient of the STEP ONE tax rate divided by the sum of one (1) plus the STEP SEVEN percentage.

(f) The department of local government finance shall compute the maximum rate allowed under subsection (e) and provide the rate to each political subdivision with authority to levy a tax under a statute listed in subsection (d).

(g) This subsection applies only when calculating the maximum rate for taxes due and payable in calendar year 2013. The STEP ONE result is the greater of the following:

- (1) The actual maximum rate established for property taxes first due and payable in calendar year 2012.
- (2) The maximum rate that would have been established for property taxes first due and payable in calendar year 2012 if the maximum rate had been established under the formula under this section, as amended in the 2012 session of the general assembly.

(h) This subsection applies only when calculating the maximum rate allowed under subsection (e) for the Vincennes Community School Corporation with respect to property taxes first due and payable in 2014. The subsection (e) STEP ONE result for the school corporation's capital projects fund is nineteen and forty-two hundredths cents (\$0.1942)."



C
o
p
y

Page 8, line 2, strike "bases" and insert "**basis**".

Page 8, between lines 17 and 18, begin a new paragraph and insert:

"SECTION 8. IC 6-1.1-36-17, AS ADDED BY P.L.87-2009, SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2013]: Sec. 17. (a) As used in this section, "nonreverting fund" refers to a nonreverting fund established under subsection (c).

(b) Each county auditor that makes a determination that property was not eligible for a standard deduction under IC 6-1.1-12-37 or a homestead credit under IC 6-1.1-20.9 (repealed) in a particular year shall notify the county treasurer of the determination. The county auditor shall issue a notice of taxes, interest, and penalties due to the owner and include a statement that the payment is to be made payable to the county auditor. The notice must require full payment of the amount owed within thirty (30) days.

(c) Each county auditor shall establish a nonreverting fund. Upon collection of the adjustment in tax due (and any interest and penalties on that amount) after the termination of a deduction or credit as specified in subsection (b), the county treasurer shall deposit that amount:

- (1) in the nonreverting fund, **if the county contains a consolidated city; or**
- (2) **if the county does not contain a consolidated city:**
 - (A) **in the nonreverting fund, to the extent that the amount collected does not cause the total amount deposited in the nonreverting fund under this subsection for the year during which the amount is collected to exceed one hundred thousand dollars (\$100,000); or**
 - (B) **in the county general fund, to the extent that the amount collected exceeds the amount that may be deposited in the nonreverting fund under clause (A).**

Any part of the amount that is not collected by the due date shall be placed on the tax duplicate for the affected property and collected in the same manner as other property taxes. The adjustment in tax due (and any interest and penalties on that amount) after the termination of a deduction or credit as specified in subsection (b) shall be deposited **in the nonreverting fund as specified in this subsection** only in the first year in which that amount is collected.

(d) The amount to be deposited in the nonreverting fund **or the county general fund under subsection (c)** includes adjustments in the tax due as a result of the termination of deductions or credits available only for property that satisfies the eligibility for a standard deduction under IC 6-1.1-12-37 or a homestead credit under IC 6-1.1-20.9

C
O
P
Y



(repealed), including the following:

- (1) Supplemental deductions under IC 6-1.1-12-37.5.
- (2) Homestead credits under IC 6-1.1-20.4, IC 6-3.5-1.1-26, IC 6-3.5-6-13, IC 6-3.5-6-32, IC 6-3.5-7-13.1, or IC 6-3.5-7-26, or any other law.
- (3) Credit for excessive property taxes under IC 6-1.1-20.6-7.5 or IC 6-1.1-20.6-8.5.

Any amount paid that exceeds the amount required to be deposited in the ~~nonreverting fund~~ under subsection (c)(1) or (c)(2) shall be distributed as property taxes.

(e) Money ~~in the nonreverting fund~~ deposited under subsection (c)(1) or (c)(2) shall be treated as miscellaneous revenue. Distributions shall be made from the nonreverting fund established under this section upon appropriation by the county fiscal body and shall be made only for the following purposes:

- (1) Fees and other costs incurred by the county auditor to discover property that is eligible for a standard deduction under IC 6-1.1-12-37 or a homestead credit under IC 6-1.1-20.9 (repealed).
- (2) Other expenses of the office of the county auditor.
- (3) The cost of preparing, sending, and processing notices described in IC 6-1.1-22-8.1(b)(9). ~~and checklists or notices described in IC 6-1.1-22.5-12(d).~~

The amount of deposits in a reverting fund, the balance of a nonreverting fund, and expenditures from a reverting fund may not be considered in establishing the budget of the office of the county auditor or in setting property tax levies that will be used in any part to fund the office of the county auditor."

Page 8, delete lines 30 through 36, begin a new paragraph and insert:

"(b) Notwithstanding IC 8-22-3-25, the maximum permissible ad valorem property tax levy for the authority's cumulative building fund may not exceed sixty-seven hundredths of one cent (\$0.0067) on each one hundred dollars (\$100) of assessed value of taxable property within the district.

SECTION 13. IC 6-2.5-5-40, AS ADDED BY P.L.193-2005, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2013]: Sec. 40. (a) As used in this ~~chapter~~, **section**, "research and development activities" does not include any of the following:

- (1) Efficiency surveys.
- (2) Management studies.
- (3) Consumer surveys.



C
O
P
Y

- (4) Economic surveys.
- (5) Advertising or promotions.
- (6) Research in connection with literary, historical, or similar projects.
- (7) Testing for purposes of quality control.

(b) As used in this section, "research and development equipment" means tangible personal property that:

- (1) consists of or is a combination of:
 - (A) laboratory equipment;
 - (B) computers;
 - (C) computer software;
 - (D) telecommunications equipment; or
 - (E) testing equipment;
- (2) has not previously been used in Indiana for any purpose; and
- (3) is acquired by the purchaser for the purpose of research and development activities devoted directly to experimental or laboratory research and development for:
 - (A) new products;
 - (B) new uses of existing products; or
 - (C) improving or testing existing products.

(c) As used in this section, "research and development property" means tangible personal property that:

- (1) has not previously been used in Indiana for any purpose; and**
- (2) is acquired by the purchaser for the purpose of research and development activities devoted to experimental or laboratory research and development for:**
 - (A) new products;**
 - (B) new uses of existing products; or**
 - (C) improving or testing existing products.**

~~(e)~~ **(d)** A retail transaction:

- (1) involving research and development equipment; and
- (2) occurring after June 30, 2007, **and before July 1, 2013;**

is exempt from the state gross retail tax.

(e) A retail transaction:

- (1) involving research and development property; and**
- (2) occurring after June 30, 2013;**

is exempt from the state gross retail tax.

(f) The exemption provided by subsection (e) applies regardless of whether the person that acquires the research and development property is a manufacturer or seller of the new or existing products specified in subsection (c)(2).

C
O
P
Y



(g) For purposes of this section, a retail transaction shall be considered as having occurred after June 30, 2013, to the extent that delivery of the property constituting selling at retail is made after that date to the purchaser or to the place of delivery designated by the purchaser. However, a transaction shall be considered as having occurred before July 1, 2013, to the extent that the agreement of the parties to the transaction is entered into before July 1, 2013, and payment for the property furnished in the transaction is made before July 1, 2013, notwithstanding the delivery of the property after June 30, 2013. This subsection expires January 1, 2017."

Page 9, delete lines 18 through 22, begin a new paragraph and insert:

"SECTION 14. IC 6-2.5-6-16 IS REPEALED [EFFECTIVE JULY 1, 2013]. Sec. ~~16~~: (a) As used in this section, "research and development equipment" has the meaning set forth in IC 6-2.5-5-40.

(b) A person is entitled to a refund equal to fifty percent (50%) of the gross retail tax paid by the person under this article in a retail transaction occurring after June 30, 2005, and before July 1, 2007, to acquire research and development equipment.

(c) To receive the refund provided by this section, a person must claim the refund under IC 6-8.1-9 in the manner prescribed by the department."

Page 12, delete lines 7 through 42.

Page 13, delete lines 1 through 23, begin a new paragraph and insert:

"SECTION 18. IC 6-8.1-9-2, AS AMENDED BY P.L.182-2009(ss), SECTION 257, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2013]: Sec. 2. (a) If the department finds that a person has paid more tax for a taxable year than is legally due, the department shall apply the amount of the excess against any amount of that same tax that is assessed and is currently due. The department may then apply any remaining excess against any of the listed taxes that have been assessed against the person and that are currently due. Subject to subsection (c), if any excess remains after the department has applied the overpayment against the person's tax liabilities, the department shall either refund the amount to the person or, at the person's request, credit the amount to the person's future tax liabilities.

(b) Subject to subsection (c), if a court determines that a person has paid more tax for a taxable year than is legally due, the department shall refund the excess amount to the person.

(c) As used in this subsection, "pass through entity" means a

C
O
P
Y



corporation that is exempt from the adjusted gross income tax under IC 6-3-2-2.8(2), a partnership, a limited liability company, or a limited liability partnership and "pass through income" means a person's distributive share of adjusted gross income for a taxable year attributable to the person's interest in a pass through entity. This subsection applies to a person's overpayment of adjusted gross income tax for a taxable year if:

- (1) the person has filed a timely claim for refund with respect to the overpayment under IC 6-8.1-9-1;
- (2) the overpayment:
 - (A) is with respect to a taxable year beginning before January 1, 2009;
 - (B) is attributable to amounts paid to the department by:
 - (i) a nonresident shareholder, partner, or member of a pass through entity;
 - (ii) a pass through entity under IC 6-3-4-12 or IC 6-3-4-13 on behalf of a nonresident shareholder, partner, or member of the pass through entity; or
 - (iii) a pass through entity under IC 6-3-4-12 or IC 6-3-4-13 on behalf of a nonresident shareholder, partner, or member of another pass through entity; and
- (3) the overpayment arises from a determination by the department or a court that the person's pass through income is not includible in the person's adjusted gross income derived from sources within Indiana as a result of the application of IC 6-3-2-2(a)(5) and IC 6-3-2-2.2(g).

The department shall apply the overpayment to the person's liability for taxes that have been assessed and are currently due as provided in subsection (a) and apply any remaining overpayment as a credit or credits in satisfaction of the person's liability for listed taxes in taxable years beginning after December 31, 2008. If the person, including any successor to the person's interest in the overpayment, does not have sufficient liability for listed taxes against which to credit all the remaining overpayment in a taxable year beginning after December 31, 2008, and ending before January 1, 2019, the taxpayer is not entitled for any taxable year ending after December 31, 2018, to have any part of the remaining overpayment applied, refunded, or credited to the person's liability for listed taxes. If an overpayment or part of an overpayment is required to be applied as a credit under this subsection to the person's liability for listed taxes for a taxable year beginning after December 31, 2008, and has not been determined by the department or a court to meet the conditions of subdivision (3) by the due date of the

C
O
P
Y



person's return for a listed tax for a taxable year beginning after December 31, 2008, the department shall refund to the person that part of the overpayment that should have been applied as a credit for such taxable year within ninety (90) days of the date that the department or a court makes the determination that the overpayment meets the conditions of subdivision (3). However, the department may establish a program to refund small overpayment amounts that do not exceed the threshold dollar value established by the department rather than crediting the amounts against tax liability accruing for a taxable year after December 31, 2008. A person that receives a refund or credit under this subsection shall file a report with the department in the form and in the schedule specified by the department that identifies under penalties of perjury the home state or other jurisdiction where the income subject to the refund or credit was reported as income attributable to that state or jurisdiction.

(d) An excess tax payment that is not refunded or credited against a current or future tax liability within ninety (90) days after the date the refund claim is filed, the date the tax payment was due, or the date the tax was paid, whichever is latest, accrues interest from the date the refund claim is filed at the rate established under IC 6-8.1-10-1 until a date, determined by the department, that does not precede by more than thirty (30) days, the date on which the refund or credit is made. As used in this subsection, "refund claim" includes an amended return that indicates an overpayment of tax.

(e) A person who is liable for the payment of excise taxes under IC 7.1-4-3 or IC 7.1-4-4 is entitled to claim a credit against the person's excise tax liability in the amount of the excise taxes paid in duplicate by the person, or the person's assignors or predecessors, upon both:

- (1) the receipt of the goods subject to the excise taxes, as reported by the person, or the person's assignors or predecessors, on excise tax returns filed with the department; and**
- (2) the withdrawal of the same goods from a storage facility operated under 19 U.S.C. 1555(a).**

(f) The amount of the credit under subsection (e) is equal to the amount of excise taxes:

- (1) that were paid by the person as described in subsection (e)(2);**
- (2) that are duplicative of excise taxes paid by the person as described in subsection (e)(1); and**
- (3) for which the person has not previously claimed a credit.**



C
O
P
Y

The credit may be claimed by subtracting the amount of the credit from the amount of the person's excise taxes reported on the person's monthly excise tax returns filed under IC 7.1-4-6 with the department for taxes imposed under IC 7.1-4-3 or IC 7.1-4-4. The amount of the credit that may be taken monthly by the person on each monthly excise tax return may not exceed five percent (5%) of the excise tax liability reported by the person on the monthly excise tax return.

(g) The amount of the credit taken under subsection (e) must be used for capital expenditures to:

- (1) expand employment; or
- (2) assist in retaining employment within Indiana.

The department shall annually verify whether the capital expenditures made by the person comply with this subsection.

SECTION 19. IC 6-9-11-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2013]: Sec. 6. (a) The county council may levy a tax on every person engaged in the business of renting or furnishing, for periods of less than thirty (30) days, any room or rooms, lodgings, or accommodations in any commercial hotel, motel, inn, tourist camp, tourist cabin, university memorial union, or university residence hall, except state camping facilities, located in the county. The county council may impose the tax at a rate not to exceed ~~five~~ ~~ten~~ percent (~~5%~~) (**10%**) on the gross income derived from lodging income only. The tax is in addition to the state gross retail tax imposed on those persons by IC 6-2.5. The tax does not apply to a retail transaction in which a student rents lodging in a university memorial union or residence hall while that student participates in a course of study for which the student receives college credit from a state university located in the county.

(b) The county fiscal body may adopt an ordinance to require that the tax be reported on forms approved by the county treasurer and that the tax shall be paid monthly to the county treasurer. If such an ordinance is adopted, the tax shall be paid to the county treasurer not more than twenty (20) days after the end of the month the tax is collected. If such an ordinance is not adopted, the tax shall be imposed, paid, and collected in exactly the same manner as the state gross retail tax is imposed, paid, and collected pursuant to IC 6-2.5.

(c) All of the provisions of IC 6-2.5 relating to rights, duties, liabilities, procedures, penalties, definitions, exemptions, and administration apply to the imposition and administration of the tax imposed under this section, except to the extent those provisions are in conflict or inconsistent with the specific provisions of this chapter or

C
O
P
Y



the requirements of the county treasurer. Specifically and not in limitation of the foregoing sentence, the terms "person" and "gross income" shall have the same meaning in this section as they have in IC 6-2.5, except that "person" shall not include supported educational institutions. If the tax is paid to the department of state revenue, the returns to be filed for the payment of the tax under this section may be either a separate return or may be combined with the return filed for the payment of the state gross retail tax as the department of state revenue may by rule determine.

(d) If the tax is paid to the department of state revenue, the amounts received from the tax shall be paid quarterly by the treasurer of state to the county treasurer upon warrants issued by the auditor of state.

(e) The tax imposed under subsection (a) does not apply to the renting or furnishing of rooms, lodgings, or accommodations to a person for a period of thirty (30) days or more.

SECTION 20. IC 8-22-1-4.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2013]: Sec. 4.5. (a) "Aviation related property or facilities" means those properties or facilities that are utilized by a lessee, or a lessee's assigns, who provides services or accommodations:

- (1) for scheduled or unscheduled air carriers and air taxis, and their passengers, air cargo operations, and related ground transportation facilities;
- (2) for fixed based operations;
- (3) for general aviation or military users; and
- (4) as aviation **manufacturing, aviation research and development, or aviation** maintenance and repair facilities.

(b) The term includes any property leased to the United States, or its agencies or instrumentalities, and any leased property identified as clear zones, ~~aviation~~ **aviation** easements, **or** safety and transition areas, as defined by the Federal Aviation Administration."

Page 21, between lines 7 and 8, begin a new paragraph and insert:

"SECTION 31. [EFFECTIVE UPON PASSAGE] (a) This SECTION applies notwithstanding IC 6-1.1-10, IC 6-1.1-11, or any other law or administrative rule or provision.

(b) This SECTION applies to the March 1, 2009, March 1, 2010, March 1, 2011, and March 1, 2012, assessment dates.

(c) As used in this SECTION, "eligible property" means a vacant parcel of real property in Marion County that is owned, is occupied, and will be used for educational, literary, scientific, religious, or charitable purposes described in IC 6-1.1-10-16.

(d) As used in this SECTION, "qualified taxpayer" refers to a

C
O
P
Y



ministry that:

- (1) is exempt from federal income taxes;
- (2) owns an eligible property;
- (3) acquired the eligible property after the 2012 assessment date; and
- (4) redeemed the eligible property after it was sold for delinquent taxes in 2012.

(e) A qualified taxpayer may before September 1, 2013, file a property tax exemption application and supporting documents claiming a property tax exemption under IC 6-1.1-10-16 and this SECTION for the eligible property for the March 1, 2012, assessment date.

(f) A property tax exemption application filed under subsection (e) by a qualified taxpayer is considered to have been timely filed.

(g) If a qualified taxpayer demonstrates in the property tax exemption application filed under subsection (e) or by other means that the eligible property would have qualified for an exemption under IC 6-1.1-10-16 for the March 1, 2012, assessment date if the property tax exemption application had been filed under IC 6-1.1-11 in a timely manner for the March 1, 2012, assessment date:

- (1) the property tax exemption for the eligible property shall be allowed and granted for the March 1, 2012, assessment date by the county assessor and county auditor of Marion County; and
- (2) the qualified taxpayer is not required to pay any property taxes, penalties, or interest with respect to the eligible property for the March 1, 2012, assessment date.

(h) To the extent the qualified taxpayer has:

- (1) paid any property taxes, penalties, or interest with respect to the eligible property for the March 1, 2009, March 1, 2010, and March 1, 2011, assessment dates; or
- (2) paid to redeem the property under IC 6-1.1-24 and IC 6-1.1-25;

the eligible taxpayer is entitled to a refund of the amounts paid. Notwithstanding the filing deadlines for a claim in IC 6-1.1-26, any claim for a refund filed by an eligible taxpayer under this subsection before September 1, 2013, is considered timely filed.

(i) The exemption allowed by this SECTION shall be applied without need of any further ruling or action by the county assessor, the county auditor, or the county property tax assessment board of appeals of Marion County or by the Indiana board of tax review.



C
o
p
y

(j) This SECTION expires July 1, 2017.

SECTION 32. [EFFECTIVE UPON PASSAGE] (a) This SECTION applies notwithstanding IC 6-1.1-10, IC 6-1.1-11, or any other law or administrative rule or provision.

(b) This SECTION applies to the March 1, 2012, and March 1, 2013, assessment dates.

(c) As used in this SECTION, "eligible property" means real property in Grant County that is:

- (1) a national historic landmark; and
- (2) owned, occupied, and used for educational, literary, scientific, religious, or charitable purposes described in IC 6-1.1-10-16.

(d) As used in this SECTION, "qualified taxpayer" refers to a charitable organization that:

- (1) is exempt from federal income taxes;
- (2) owns an eligible property; and
- (3) acquired the eligible property after the 2011 assessment date.

(e) A qualified taxpayer may before September 1, 2013, file a property tax exemption application and supporting documents claiming a property tax exemption under IC 6-1.1-10-16 and this SECTION for the eligible property for the March 1, 2012, and March 1, 2013, assessment dates.

(f) A property tax exemption application filed under subsection (e) by a qualified taxpayer is considered to have been timely filed.

(g) If a qualified taxpayer demonstrates in the property tax exemption application filed under subsection (e) or by other means that the eligible property would have qualified for an exemption under IC 6-1.1-10-16 for the March 1, 2012, and March 1, 2013, assessment dates if the property tax exemption application had been filed under IC 6-1.1-11 in a timely manner for the March 1, 2012, assessment date:

- (1) the property tax exemption for the eligible property shall be allowed and granted for the March 1, 2012, and March 1, 2013, assessment dates by the county assessor and county auditor of Grant County; and
- (2) the qualified taxpayer is not required to pay any property taxes, penalties, or interest with respect to the eligible property for the March 1, 2012, and March 1, 2013, assessment dates.

(h) The exemption allowed by this SECTION shall be applied without need of any further ruling or action by the county assessor,

C
O
P
Y



the county auditor, or the county property tax assessment board of appeals of Grant County or by the Indiana board of tax review.

(i) This SECTION expires July 1, 2017.

SECTION 33. [EFFECTIVE JULY 1, 2013] (a) As used in this SECTION, "taxing unit" has the meaning set forth in IC 6-1.1-17-20(b).

(b) If:

(1) the fiscal body of a city or town adopted a final budget and levy for a taxing unit under IC 6-1.1-17-20(e) (before its amendment by this act) after June 30, 2012, and before July 1, 2013;

(2) after June 30, 2012, and before July 1, 2013, IC 6-1.1-17-20(c) and IC 6-1.1-17-20(d) (before their amendment by this act) required the taxing unit to submit the taxing unit's proposed budget and levy to the fiscal body of a county; and

(3) after June 30, 2013, IC 6-1.1-17-20(c)(2)(B) (as amended by this act) requires the taxing unit to submit the taxing unit's proposed budget and levy to the fiscal body of the city or town that appoints the majority of the individuals serving on the governing board of the taxing unit;

the action taken by the fiscal body of the city or town under IC 6-1.1-17-20(e) (before its amendment by this act) to adopt a final budget and levy for the taxing unit after June 30, 2012, and before July 1, 2013, is legalized and validated.

(c) This SECTION expires January 1, 2014.

SECTION 34. [EFFECTIVE UPON PASSAGE] (a) This SECTION applies only to the school city of Mishawaka.

(b) Notwithstanding any order, decision, or finding of the department of local government finance to the contrary, the budget of the school city of Mishawaka for calendar year 2013 is the budget advertised by the school city under IC 6-1.1-17.

(c) Any order, decision, or finding of the department of local government finance adjusting the calendar year 2013 budget advertised by the school city of Mishawaka is void.

(d) The school city of Mishawaka is entitled to levy and collect property taxes in 2013 based on the calendar year 2013 budget advertised by the school city. However, the county auditor is not required to recalculate property tax statements with respect to the first installment of property taxes due under IC 6-1.1-22-9 in 2013.

(e) The department of local government finance shall assist the county auditor of St. Joseph County and the school city of

C
O
P
Y



Mishawaka in implementing this SECTION. The department of local government finance shall:

- (1) recalculate tax rates for the property tax levies imposed by the school city of Mishawaka; and
- (2) assist the county auditor in applying the recalculated rates to the second installment of property taxes due under IC 6-1.1-22-9 in calendar year 2013.

(f) The county treasurer of St. Joseph County shall transmit to the taxpayers of the school city of Mishawaka a revised property tax statement under IC 6-1.1-22 reflecting the calculations made under subsection (e).

(g) The department of local government finance may not make an order, decision, or finding that adversely affects a budget or levy of the city of Mishawaka because of the changes to the budget and levy of the school city of Mishawaka for calendar year 2013 that are required by this SECTION.

(h) This SECTION expires June 30, 2014.

SECTION 35. [EFFECTIVE JULY 1, 2013] (a) This SECTION applies to the Union-Lakeville fire protection territory in St. Joseph County.

(b) The executive of the provider unit may, upon approval by the fiscal body of the provider unit, submit a petition to the department of local government finance for an increase in the provider unit's maximum permissible ad valorem property tax levy for purposes of IC 36-8-19 for property taxes first due and payable in 2014.

(c) If a petition is submitted under subsection (b), the department of local government finance shall increase the provider unit's maximum permissible ad valorem property tax levy for purposes of IC 36-8-19 for property taxes first due and payable in 2014 by the amount necessary to increase the provider unit's maximum permissible ad valorem property tax levy for purposes of IC 36-8-19 to seventy percent (70%) of the amount of the provider unit's maximum permissible ad valorem property tax levy for purposes of IC 36-8-19 that applied to taxes first due and payable in 2006.

(d) A provider unit's maximum permissible ad valorem property tax levy for purposes of IC 36-8-19 for property taxes first due and payable in 2014, as adjusted under this SECTION, shall be used in the determination of the provider unit's maximum permissible ad valorem property tax levy for purposes of IC 36-8-19 for property taxes first due and payable in 2015 and

C
O
P
Y



thereafter.

(e) This SECTION expires January 1, 2016.

SECTION 36. [EFFECTIVE JULY 1, 2013] **(a) IC 8-22-1-4.5, as amended by this act, applies to property taxes imposed for an assessment date after December 31, 2013.**

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

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to SB 494 as printed February 22, 2013.)

BROWN T, Chair

Committee Vote: yeas 18, nays 3.

C
o
p
y

