Adopted	Rejected

COMMITTEE REPORT

YES: 18
NO: 0

MR. SPEAKER:

Your Committee on **Ways and Means**, to which was referred Senate Bill 152, 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, line 4, delete "determined" and insert "**reduced**".
Page 1, line 5, delete "as a result of a notice for" and insert "**in an appeal conducted under IC 6-1.1-15.**".
Page 1, line 6, delete "review filed by the taxpayer. This" and insert "**However, this**".
Page 1, line 7, delete "if:" and insert "**if the real property was valued using the income capitalization approach in the appeal.**".
Page 1, delete lines 8 through 13.
Page 2, line 4, delete "However, an adjustment to the gross".
Page 2, delete lines 5 through 13.
Page 2, after line 13, begin a new paragraph and insert:
"SECTION 2. IC 6-1.1-26-5, AS AMENDED BY P.L.120-2012, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2013]: Sec. 5. (a) When a claim for refund filed under section 1 of this chapter is allowed either by the county board of commissioners, the department of local government finance, the

Indiana board, or the Indiana tax court on appeal, the claimant is entitled to a refund. The amount of the refund shall equal the amount of the claim so allowed plus, with respect to claims for refund filed after December 31, 2001, interest at the rate established for excess tax payments by the commissioner of the department of state revenue under IC 6-8.1-10-1 from the date on which the taxes were paid or payable, whichever is later, to the date of the refund. **The interest shall be computed using the rate in effect for each particular year covered by the refund.** The county auditor shall, without an appropriation being required, issue a warrant to the claimant payable from the county general fund for the amount due the claimant under this section.

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

SECTION 3. IC 6-1.1-37-9, AS AMENDED BY P.L.120-2012, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2013]: Sec. 9. (a) This section applies when:

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

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

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

(b) Except as provided in subsections (c) and (g), a taxpayer shall pay interest on the taxes the taxpayer is required to pay as a result of an

action or a determination described in subsection (a) at the rate established by the commissioner of the department of state revenue under IC 6-8.1-10-1 from the original due date or dates for those taxes to:

(1) the date of payment; or

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

whichever occurs first. **The interest shall be computed using the rate in effect for each particular year in which the interest accrued.**

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

(1) the date of payment; or

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

whichever occurs first.

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

(1) the next May 10; or

(2) the next November 10;

whichever occurs first.

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

(1) the taxpayer has not paid the amount of taxes resulting from the action or determination; and

(2) the taxpayer either:

(A) received notice of the taxes the taxpayer is required to pay as a result of the action or determination at least thirty (30) days before the date for payment; or

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

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

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

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

whichever occurs first.

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

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

(2) the assessment or the assessment increase is made as the result of error or neglect by the assessor or by any other official involved with the assessment of property or the collection of property taxes; and

(3) the assessment:

(A) would have been made on the normal assessment date if the error or neglect had not occurred; or

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

SECTION 4. IC 6-1.1-37-11, AS AMENDED BY SEA 85-2013, SECTION 19, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2013]: Sec. 11. (a) If a taxpayer is entitled to a property tax refund or credit because an assessment is decreased, the taxpayer shall also be paid, or credited with, interest on the excess taxes that the taxpayer paid at the rate ~~of four percent (4%) per annum.~~ **established for excess tax payments by the commissioner of the department of state revenue under IC 6-8.1-10-1.** However, in the case of an assessment that is decreased by the Indiana board or the Indiana tax court, the taxpayer is not entitled to the greater of five hundred dollars ($500) or twenty percent (20%) of the interest to which the taxpayer

would otherwise be entitled on the excess taxes unless the taxpayer affirms, under penalty of perjury, that substantive evidence supporting the taxpayer's position had been:

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

(2) introduced by the taxpayer at;

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

(b) For purposes of this section and except as provided in subsection (c), the interest shall be computed:

(1) from the date on which the taxes were paid or due, whichever is later, to the date of the refund or credit; **and**

(2) using the rate in effect under IC 6-8.1-10-1 for each particular year covered by the refund or credit.

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

(c) This subsection applies if a taxpayer who is entitled to a refund or credit does not make a written request for the refund or credit to the county auditor within forty-five (45) days after the final determination of the county property tax assessment board of appeals, the state board of tax commissioners, the department of local government finance, the Indiana board, or the tax court that entitles the taxpayer to the refund or credit. In the case of a taxpayer described in this subsection, the interest shall be computed from the date on which the taxes were paid or due to the date that is forty-five (45) days after the final determination of the county property tax assessment board of appeals, the state board of tax commissioners, the department of local government finance, the Indiana board of tax review, or the Indiana tax court. In any event, a property tax refund or credit must be issued not later than ninety (90) days after the request is received.

SECTION 5. IC 6-6-5-5.2 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2013]: **Sec. 5.2. (a) This section applies to a registration year beginning after December 31, 2013.**

(b) Subject to subsection (d), an individual may claim a credit against the tax imposed by this chapter upon a vehicle owned by the individual if the individual is eligible for the credit under any of the following:

(1) The individual meets all the following requirements:

(A) The individual served in the military or naval forces of the United States during any of its wars.

(B) The individual received an honorable discharge.

(C) The individual has a disability with a service connected disability of ten percent (10%) or more.

(D) The individual's disability is evidenced by:

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

(ii) a certificate of eligibility issued to the individual by the Indiana department of veterans' affairs after the Indiana department of veterans' affairs has determined that the individual's disability qualifies the individual to receive a credit under this section.

(E) The individual does not own property to which a property tax deduction may be applied under IC 6-1.1-12-13.

(2) The individual meets all the following requirements:

(A) The individual served in the military or naval forces of the United States for at least ninety (90) days.

(B) The individual received an honorable discharge.

(C) The individual either:

(i) has a total disability; or

(ii) is at least sixty-two (62) years of age and has a disability of at least ten percent (10%).

(D) The individual's disability is evidenced by:

(i) a pension certificate or an award of compensation issued by the United States Department of Veterans Affairs; or

(ii) a certificate of eligibility issued to the individual by the Indiana department of veterans' affairs after the Indiana department of veterans' affairs has determined that the individual's disability qualifies the individual to

receive a credit under this section.

(E) The individual does not own property to which a property tax deduction may be applied under IC 6-1.1-12-14.

(3) The individual meets both of the following requirements:

(A) The individual is the surviving spouse of any of the following:

(i) An individual who would have been eligible for a credit under this section if the individual had been alive in 2013 and this section had been in effect in 2013.

(ii) An individual who received a credit under this section in the previous calendar year.

(iii) A World War I veteran.

(B) The individual does not own property to which a property tax deduction may be applied under IC 6-1.1-12-13, IC 6-1.1-12-14, or IC 6-1.1-12-16.

(c) The amount of the credit that may be claimed under this section is equal to the lesser of the following:

(1) The amount of the excise tax liability for the individual's vehicle as determined under section 5 of this chapter.

(2) Seventy dollars ($70).

(d) The maximum number of motor vehicles for which an individual may claim a credit under this section is two (2).

(e) An individual may not claim a credit under both:

(1) this section; and

(2) section 5(b) of this chapter.

(f) The credit allowed by this section must be claimed on a form prescribed by the bureau. An individual claiming the credit must attach to the form an affidavit from the county auditor stating that the claimant does not own property to which a property tax

deduction may be applied under IC 6-1.1-12-13, IC 6-1.1-12-14, or IC 6-1.1-12-16.".

Renumber all SECTIONS consecutively.

(Reference is to SB 152 as printed January 30, 2013.)

and when so amended that said bill do pass.

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Representative Brown T