

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.

HOUSE ENROLLED ACT No. 1261

AN ACT to amend the Indiana Code concerning taxation.

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

SECTION 1. IC 6-1.1-22.6-26.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE APRIL 10, 2013 (RETROACTIVE)]: **Sec. 26.5. (a) This section applies notwithstanding any other law.**

(b) The following definitions apply throughout this section:

(1) "Current assessment date" refers to an assessment date in one (1) or both of the following years:

(A) The year in which a reconciliation statement for delayed property taxes is issued.

(B) The year in which an installment payment for a reconciliation statement described in clause (A) is due.

(2) "Homestead" refers to tangible property that is eligible for a standard deduction for a current assessment date, including tangible property for which a late application of the standard deduction is filed under section 26(b)(4) of this chapter.

(3) "Current owner" refers to the person that owns or is buying under contract a homestead.

(4) "Delayed assessment date" refers to an assessment date for which delayed property taxes are imposed.

(5) "Standard deduction" refers to a deduction under IC 6-1.1-12-37.



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(c) Subject to this section, the current owner of a homestead in a covered county that qualifies for a deduction from the assessed value of a homestead for a current assessment date shall be treated as eligible for the equivalent deduction in effect for a delayed assessment date notwithstanding that:

- (1) the current owner did not reside at or own the homestead property in the year of the delayed assessment date;
- (2) the current owner qualifies for an equivalent deduction on property other than the homestead property in the same county or another county in the year of the delayed assessment date;
- (3) the homestead property was not used for purposes that would have qualified for the deduction in the year of the delayed assessment date; or
- (4) the current owner or the homestead would not otherwise have qualified for the deduction for the homestead property in the year of the delayed assessment date.

(d) A homestead that qualifies under this section for a standard deduction in the year of a delayed assessment date shall also be treated as qualifying for the circuit breaker credit applicable to homesteads under IC 6-1.1-20.6 and any other credits under IC 6-1.1-20.4, IC 6-3.5, or another law that were available to homesteads in the year of the delayed assessment date.

(e) For purposes of applying this section, if an individual or entity other than the current owner was entitled to an equivalent deduction on the homestead property in the year of the delayed assessment date, the deduction shall be applied to the delayed assessment date for the current owner in the amount to which the former owner was entitled.

(f) Except as provided by rule adopted by the department of local government finance under IC 4-22-2 or an emergency rule adopted in the manner provided under IC 4-22-2-37.1, the county auditor and county treasurer shall apply the deductions and credits granted by this section to homestead property without requiring the current owner to apply for a deduction for that delayed assessment date. The county treasurer may apply the deductions and credits on a provisional statement or a reconciliation statement. If the county treasurer sends out a reconciliation statement for the delayed property taxes due for a delayed assessment date that does not reflect the deductions and credits, the county treasurer shall send out a revised reconciliation statement that reflects the deductions and credits with instructions on how to

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seek a refund if the property taxes for the delayed assessment date have been paid. For circumstances in which the department of local government finance requires a current owner to apply for a deduction granted by this chapter, the current owner may apply for the deduction at any time within ninety (90) days after the later of the date the last payment is due for the delayed property taxes imposed for the delayed assessment date or the date the current owner receives a revised reconciliation statement under this subsection.

(g) The department of local government finance may adopt rules under IC 4-22-2 to facilitate the application of this section, including temporary rules adopted in the manner provided for the adoption of emergency rules under IC 4-22-2-37.1. Notwithstanding IC 4-22-2-37.1, an emergency rule adopted under this subsection expires on the earliest of the following:

- (1) The date specified in the emergency rule.
- (2) The date another emergency rule or a permanent rule supersedes, amends, or repeals the emergency rule.
- (3) Two (2) years after the emergency rule is adopted.

Rules adopted under this subsection must be designed to minimize the administrative burden on current owners that are eligible for deductions and credits granted under this section and other taxpayers eligible for a delayed payment date under subsection (h) or tax relief under subsection (i).

(h) This subsection applies to current property taxes. As used in this subsection, "current property taxes" refers to property taxes imposed for the March 1, 2012, or January 15, 2013, assessment date in a county that is or has been a covered county. The county fiscal body may adopt a resolution before July 1, 2013, to request that the department of local government finance waive the requirements of IC 6-1.1-22-9 and IC 6-1.1-22.5-6 and any other applicable law for current property taxes. The county fiscal body shall certify a copy of the resolution to the county auditor, the county treasurer, and the department of local government finance as soon as practicable after the resolution is adopted. The department of local government finance shall conduct a public hearing in the county not more than thirty (30) days after receiving a copy of the certified resolution. The department of local government finance shall give notice of the public hearing one (1) time in accordance with IC 5-3-1. If after the hearing the department of local government finance determines that a delay in the distribution of statements for and payment of current property

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taxes will result in tax relief to the taxpayers of the county, the department of local government finance shall waive the requirements of IC 6-1.1-22-9 and IC 6-1.1-22.5-6 and any other applicable law, as necessary, and authorize the county to issue a single tax statement for current property taxes and any other special assessments or amounts that would otherwise be billed on the statement before the date specified by the department of local government finance. The specified date may not be before September 16, 2013. Current property taxes and any other special assessments or amounts billed on the statement issued under this subsection are due as provided in a resolution that complies with this section and is adopted by the county fiscal body at any time before the date the single tax statement is mailed or otherwise transmitted. The resolution must establish a payment plan under which taxpayers are required to pay current property taxes and any other special assessments or amounts billed on the single tax statement either by:

- (1) paying the current property taxes and any other special assessments or billed amounts in equal payments over an installment period (of at least six (6) months); or
- (2) making a single payment of the current property taxes and any other special assessments or billed amounts after the end of a period (of at least six (6) months);

as determined by the county fiscal body.

(i) As used in this subsection, "current property taxes" refers to property taxes imposed for the March 1, 2012, or January 15, 2013, assessment date and special assessments due on a tax statement issued for these property taxes in a county that was a covered county in 2009 or 2010. Section 17 of this chapter (right to make payments of property taxes and special assessments by credit card, debit card, bank card, or electronic transfer; transaction charges) and section 25 of this chapter (county council discretionary authority to authorize a two percent (2%) tax credit for payment within thirty (30) days) apply to current property taxes to the same extent as if they were delayed property taxes payable on a reconciliation statement. Notwithstanding any other law, an owner of a homestead (as defined in IC 6-1.1-12-37) may apply for a standard deduction as permitted under IC 6-1.1-12-37 or IC 6-1.1-12-44 from the assessed value of property determined for the March 1, 2012, or January 15, 2013, assessment date at any time on or before a date that is forty-five (45) days after the last reconciliation or other tax statement for the current property taxes



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is mailed or otherwise transmitted for the current property taxes. An application filed within the time permitted under this subsection shall be treated as a timely application for the standard deduction. A homestead that is eligible for a standard deduction under IC 6-1.1-12-37 for a year in which current property taxes are imposed may not be placed on a list for tax sale for the payment of delinquent current property taxes for at least twelve (12) months after a due date for payment of the current property taxes. Any overpayment of current property taxes that result after the application of a deduction or credit granted after the payment of the current property taxes shall be first applied without the filing of a claim under IC 6-1.1-26. The county treasurer shall apply the excess payment first to any delinquent property taxes owed by the taxpayer who owned the property in the year to which the credit or deduction applies and, second, as a credit against property taxes for the affected property that become first due and payable after the excess payment is determined. Property tax statements issued for current property taxes must include a statement in at least 10-point bold type that explains a taxpayer's rights under subsection (h) and this subsection.

(j) An action of:

- (1) a county assessor, county auditor, or county treasurer that, before May 10, 2013, grants or applies a deduction or credit that is authorized by this section; and
- (2) a county fiscal body or the department of local government finance taken before May 10, 2013, to carry out this section;

is legalized and validated to the same extent as if the action had occurred after May 9, 2013.

(k) This section shall be liberally construed by the department of local government finance, elected officials, political subdivisions, and the courts to provide taxpayers tax relief described in this section.

SECTION 2. An emergency is declared for this act.

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Speaker of the House of Representatives

President of the Senate

President Pro Tempore

Governor of the State of Indiana

Date: _____ Time: _____

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