

SENATE BILL No. 375

DIGEST OF INTRODUCED BILL

Citations Affected: IC 6-1.1.

Synopsis: Depreciable personal property assessment. Changes the minimum personal property tax depreciation floor from 30% to 20% for assessment dates after 2013.

Effective: July 1, 2013.

Buck, Kruse

January 8, 2013, read first time and referred to Committee on Tax and Fiscal Policy.

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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.

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SENATE BILL No. 375



A BILL FOR AN ACT to amend the Indiana Code concerning taxation.

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

- 1 SECTION 1. IC 6-1.1-3-22 IS AMENDED TO READ AS
- 2 FOLLOWS [EFFECTIVE JULY 1, 2013]: Sec. 22. (a) Except to the
- 3 extent that it conflicts with a statute and subject to subsection (f), 50
- 4 IAC 4.2 (as in effect January 1, 2001), which was formerly
- 5 incorporated by reference into this section, is reinstated as a rule.
- 6 (b) Tangible personal property within the scope of 50 IAC 4.2 (as
- 7 in effect January 1, 2001) shall be assessed on the assessment dates in
- 8 calendar years 2003 and thereafter in conformity with 50 IAC 4.2 (as
- 9 in effect January 1, 2001).
- 10 (c) The publisher of the Indiana Administrative Code shall publish
- 11 50 IAC 4.2 (as in effect January 1, 2001) in the Indiana Administrative
- 12 Code.
- 13 (d) 50 IAC 4.3 and any other rule to the extent that it conflicts with
- 14 this section is void.
- 15 (e) A reference in 50 IAC 4.2 to a governmental entity that has been
- 16 terminated or a statute that has been repealed or amended shall be
- 17 treated as a reference to its successor.



1 (f) The department of local government finance may not amend or
2 repeal the following (all as in effect January 1, 2001):

- 3 (1) 50 IAC 4.2-4-3(f).
4 (2) 50 IAC 4.2-4-7.
5 (3) 50 IAC 4.2-4-9.
6 (4) 50 IAC 4.2-5-7.
7 (5) 50 IAC 4.2-5-13.
8 (6) 50 IAC 4.2-6-1.
9 (7) 50 IAC 4.2-6-2.
10 (8) 50 IAC 4.2-8-9.

11 **However, except as provided in section 23 of this chapter and**
12 **notwithstanding 50 IAC 4.2-4-9, for assessment dates beginning on**
13 **or after March 1, 2014, the total valuation of a taxpayer's**
14 **assessable depreciable personal property in a single taxing district**
15 **may not be less than twenty percent (20%) of the adjusted cost of**
16 **all the depreciable personal property of the taxpayer. This**
17 **limitation shall be applied before any special adjustment for**
18 **abnormal obsolescence as provided in 50 IAC 4.2-4-8. The**
19 **limitation does not apply to equipment not placed in service,**
20 **special tooling, and permanently retired depreciable personal**
21 **property.**

22 SECTION 2. IC 6-1.1-8-44 IS AMENDED TO READ AS
23 FOLLOWS [EFFECTIVE JULY 1, 2013]: Sec. 44. (a) Except to the
24 extent that it conflicts with a statute and subject to subsection (f), 50
25 IAC 5.1 (as in effect January 1, 2001), which was formerly
26 incorporated by reference into this section, is reinstated as a rule.

27 (b) Tangible personal property within the scope of 50 IAC 5.1 (as
28 in effect January 1, 2001) shall be assessed on the assessment dates in
29 calendar years 2003 and thereafter in conformity with 50 IAC 5.1 (as
30 in effect January 1, 2001).

31 (c) The publisher of the Indiana Administrative Code shall publish
32 50 IAC 5.1 (as in effect January 1, 2001) in the Indiana Administrative
33 Code.

34 (d) 50 IAC 5.2 and any other rule to the extent that it conflicts with
35 this section is void.

36 (e) A reference in 50 IAC 5.1 to a governmental entity that has been
37 terminated or a statute that has been repealed or amended shall be
38 treated as a reference to its successor.

39 (f) The department of local government finance may not amend or
40 repeal the following (all as in effect January 1, 2001):

- 41 (1) 50 IAC 5.1-6-6.
42 (2) 50 IAC 5.1-6-7.

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- 1 (3) 50 IAC 5.1-6-8.
- 2 (4) 50 IAC 5.1-6-9.
- 3 (5) 50 IAC 5.1-8-1.
- 4 (6) 50 IAC 5.1-9-1.
- 5 (7) 50 IAC 5.1-9-2.

6 **However, notwithstanding 50 IAC 5.1-6-9, for assessment dates**
7 **beginning on or after March 1, 2014, the total value of the**
8 **distributable depreciable personal property may not be less than**
9 **twenty percent (20%) of the adjusted cost of the distributable**
10 **personal property. The total value of the locally assessed**
11 **depreciable personal property in a single taxing district may not be**
12 **less than twenty percent (20%) of the adjusted cost of the locally**
13 **assessed depreciable personal property in that taxing district. The**
14 **twenty percent (20%) minimum value test shall be applied before**
15 **any special adjustment for abnormal obsolescence or permanently**
16 **retired depreciable personal property. The limitation does not**
17 **apply to construction in progress under 50 IAC 5.1-9-1(a) or**
18 **special tooling under 50 IAC 5.1-9-2(b).**

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