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# SENATE BILL No. 494

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## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 6-1.1; IC 6-2.5; IC 6-4.1-11-6; IC 8-22-3-24; IC 36-1.5-3-4; IC 36-7-32.

**Synopsis:** State and local taxation. 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 for purposes of the property tax circuit breaker credits, a "homestead" eligible for the 1% cap means a homestead that has actually been granted a standard deduction. Makes changes regarding protecting debt service funds under the property tax circuit breaker credit. Permits a political subdivision to transfer money to meet debt service obligations from any other available source if a fund receiving protected taxes also has to be reduced. 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. Restores provisions inadvertently repealed in 2012 concerning sales tax on gasoline. Specifies that counties are entitled to an inheritance tax replacement amount distribution regardless of whether the county received a distribution in state fiscal year 2012. 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. Specifies that the department of local government finance (DLGF) may

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**Effective:** Upon passage; January 1, 2013 (retroactive); July 1, 2013.

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## Hershman

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January 14, 2013, read first time and referred to Committee on Tax and Fiscal Policy.

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Digest Continued

make various adjustments to the maximum permissible property tax levies, maximum permissible 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. Upon the request of the Frankfort Airport Authority, requires the DLGF to establish a cumulative building fund. 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.

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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. 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 6-1.1-15-1, AS AMENDED BY P.L.146-2012,
- 2 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 3 JULY 1, 2013]: Sec. 1. (a) A taxpayer may obtain a review by the
- 4 county board of a county or township official's action with respect to
- 5 either or both of the following:
- 6 (1) The assessment of the taxpayer's tangible property.
- 7 (2) A deduction for which a review under this section is
- 8 authorized by any of the following:
- 9 (A) IC 6-1.1-12-25.5.
- 10 (B) IC 6-1.1-12-28.5.
- 11 (C) IC 6-1.1-12-35.5.
- 12 (D) IC 6-1.1-12.1-5.
- 13 (E) IC 6-1.1-12.1-5.3.
- 14 (F) IC 6-1.1-12.1-5.4.
- 15 (b) At the time that notice of an action referred to in subsection (a)



1 is given to the taxpayer, the taxpayer shall also be informed in writing  
2 of:

- 3 (1) the opportunity for a review under this section, including a  
4 preliminary informal meeting under subsection (h)(2) with the  
5 county or township official referred to in this subsection; and  
6 (2) the procedures the taxpayer must follow in order to obtain a  
7 review under this section.

8 (c) In order to obtain a review of an assessment or deduction  
9 effective for the assessment date to which the notice referred to in  
10 subsection (b) applies, the taxpayer must file a notice in writing with  
11 the county or township official referred to in subsection (a) not later  
12 than forty-five (45) days after the date of the notice referred to in  
13 subsection (b).

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

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

29 (e) A change in an assessment made as a result of a notice for  
30 review filed by a taxpayer under subsection (d) after the time  
31 prescribed in subsection (d) becomes effective for the next assessment  
32 date. A change in an assessment made as a result of a notice for review  
33 filed by a taxpayer under subsection (c) or (d) remains in effect from  
34 the assessment date for which the change is made until the next  
35 assessment date for which the assessment is changed under this article.

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

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

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

- 42 (1) initiates a review under this section; and

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- 1 (2) constitutes a request by the taxpayer for a preliminary  
 2 informal meeting with the official referred to in subsection (a).  
 3 (h) A county or township official who receives a notice for review  
 4 filed by a taxpayer under subsection (c) or (d) shall:  
 5 (1) immediately forward the notice to the county board; and  
 6 (2) attempt to hold a preliminary informal meeting with the  
 7 taxpayer to resolve as many issues as possible by:  
 8 (A) discussing the specifics of the taxpayer's assessment or  
 9 deduction;  
 10 (B) reviewing the taxpayer's property record card;  
 11 (C) explaining to the taxpayer how the assessment or  
 12 deduction was determined;  
 13 (D) providing to the taxpayer information about the statutes,  
 14 rules, and guidelines that govern the determination of the  
 15 assessment or deduction;  
 16 (E) noting and considering objections of the taxpayer;  
 17 (F) considering all errors alleged by the taxpayer; and  
 18 (G) otherwise educating the taxpayer about:  
 19 (i) the taxpayer's assessment or deduction;  
 20 (ii) the assessment or deduction process; and  
 21 (iii) the assessment or deduction appeal process.  
 22 (i) Not later than ten (10) days after the informal preliminary  
 23 meeting, the official referred to in subsection (a) shall forward to the  
 24 county auditor and the county board the results of the conference on a  
 25 form prescribed by the department of local government finance that  
 26 must be completed and signed by the taxpayer and the official. The  
 27 form must indicate the following:  
 28 (1) If the taxpayer and the official agree on the resolution of all  
 29 assessment or deduction issues in the review, a statement of:  
 30 (A) those issues; and  
 31 (B) the assessed value of the tangible property or the amount  
 32 of the deduction that results from the resolution of those issues  
 33 in the manner agreed to by the taxpayer and the official.  
 34 (2) If the taxpayer and the official do not agree on the resolution  
 35 of all assessment or deduction issues in the review:  
 36 (A) a statement of those issues; and  
 37 (B) the identification of:  
 38 (i) the issues on which the taxpayer and the official agree;  
 39 and  
 40 (ii) the issues on which the taxpayer and the official  
 41 disagree.  
 42 (j) If the county board receives a form referred to in subsection

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1 (i)(1) before the hearing scheduled under subsection (k):

2 (1) the county board shall cancel the hearing;

3 (2) the county official referred to in subsection (a) shall give  
4 notice to the taxpayer, the county board, the county assessor, and  
5 the county auditor of the assessment or deduction in the amount  
6 referred to in subsection (i)(1)(B); and

7 (3) if the matter in issue is the assessment of tangible property,  
8 the county board may reserve the right to change the assessment  
9 under IC 6-1.1-13.

10 (k) If:

11 (1) subsection (i)(2) applies; or

12 (2) the county board does not receive a form referred to in  
13 subsection (i) not later than one hundred twenty (120) days after  
14 the date of the notice for review filed by the taxpayer under  
15 subsection (c) or (d);

16 the county board shall hold a hearing on a review under this subsection  
17 not later than one hundred eighty (180) days after the date of that  
18 notice. The county board shall, by mail, give at least thirty (30) days  
19 notice of the date, time, and place fixed for the hearing to the taxpayer  
20 and the county or township official with whom the taxpayer filed the  
21 notice for review. The taxpayer and the county or township official  
22 with whom the taxpayer filed the notice for review are parties to the  
23 proceeding before the county board. A taxpayer may request a  
24 continuance of the hearing by filing, at least twenty (20) days before  
25 the hearing date, a request for continuance with the board and the  
26 county or township official with evidence supporting a just cause for  
27 the continuance. The board shall, not later than ten (10) days after the  
28 date the request for a continuance is filed, either find that the taxpayer  
29 has demonstrated a just cause for a continuance and grant the taxpayer  
30 the continuance, or deny the continuance. A taxpayer may request that  
31 the board take action without the taxpayer being present and that the  
32 board make a decision based on the evidence already submitted to the  
33 board by filing, at least eight (8) days before the hearing date, a request  
34 with the board and the county or township official. A taxpayer may  
35 withdraw a petition by filing, at least eight (8) days before the hearing  
36 date, a notice of withdrawal with the board and the county or township  
37 official.

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

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

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

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

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

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

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

20 (1) Initiate the review.

21 (2) Prosecute the review.

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

27 (o) If the maximum time elapses:

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

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

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

34 SECTION 2. IC 6-1.1-20.6-2, AS AMENDED BY  
35 P.L.182-2009(ss), SECTION 151, IS AMENDED TO READ AS  
36 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. (a) As used in  
37 this chapter, "homestead" refers to a homestead that ~~is eligible for~~ **has**  
38 **been granted** a standard deduction under IC 6-1.1-12-37.

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

41 SECTION 3. IC 6-1.1-20.6-9.8, AS AMENDED BY P.L.137-2012,  
42 SECTION 35, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE

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1 JANUARY 1, 2013 (RETROACTIVE)]; Sec. 9.8. (a) This section  
 2 applies to property taxes first due and payable after December 31,  
 3 2009.

4 (b) The following definitions apply throughout this section:

5 (1) "Debt service obligations of a political subdivision" refers to:

6 (A) the principal and interest payable during a calendar year  
 7 on bonds; and

8 (B) lease rental payments payable during a calendar year on  
 9 leases;

10 of a political subdivision payable from ad valorem property taxes.

11 (2) "Protected taxes" refers to the following:

12 (A) Property taxes that are exempted from the application of  
 13 a credit granted under section 7 or 7.5 of this chapter by  
 14 section 7(b), 7(c), 7.5(b), or 7.5(c) of this chapter or another  
 15 law.

16 (B) Property taxes imposed by a political subdivision to pay  
 17 for debt service obligations of a political subdivision that are  
 18 not exempted from the application of a credit granted under  
 19 section 7 or 7.5 of this chapter by section 7(b), 7(c), 7.5(b), or  
 20 7.5(c) of this chapter or any other law. Property taxes  
 21 described in this subsection are subject to the credit granted  
 22 under section 7 or 7.5 of this chapter by section 7(b), 7(c),  
 23 7.5(b), or 7.5(c) **of this chapter** regardless of their designation  
 24 as protected taxes.

25 (3) "Unprotected taxes" refers to property taxes that are not  
 26 protected taxes.

27 (c) The total amount ~~collected from protected taxes shall be~~  
 28 **allocated of revenue to be distributed** to the fund for which the  
 29 protected taxes were imposed **shall be determined** as if no credit were  
 30 granted under section 7 or 7.5 of this chapter. The total amount of the  
 31 loss in revenue resulting from the granting of credits under section 7 or  
 32 7.5 of this chapter must reduce only the amount of unprotected ~~property~~  
 33 taxes distributed to a fund **using the following criteria:**

34 **(1) The reduction must be** in proportion to the ~~unprotected rate~~  
 35 **tax rate that is** imposed **for unprotected taxes** for that fund  
 36 relative to the total of all ~~unprotected~~ tax rates imposed **for**  
 37 **unprotected taxes** by the ~~taxing unit.~~ **political subdivision using**  
 38 **only the tax rates for unprotected taxes of the political**  
 39 **subdivision in those taxing districts in which the credit caused**  
 40 **a reduction in protected taxes.**

41 **(2) The tax revenue and each fund of any other political**  
 42 **subdivisions must not be affected by the reduction.**

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**(d) When:**

**(1) the revenue that would otherwise be distributed to a fund receiving only unprotected taxes is reduced entirely under subsection (c) and the remaining revenue is insufficient for a fund receiving protected taxes to receive the revenue specified by subsection (c); or**

**(2) there is not a fund receiving only unprotected taxes from which to distribute revenue;**

**the revenue distributed to the fund receiving protected taxes must also be reduced. If the revenue distributed to a fund receiving protected taxes is reduced, the political subdivision may transfer money from one (1) or more of the other funds of the political subdivision to offset the loss in revenue to the fund receiving protected taxes. The transfer is limited to the amount necessary for the fund receiving protected taxes to receive the revenue specified under subsection (c). The amount transferred shall be specifically identified as a debt service obligation transfer for each affected fund.**

SECTION 4. 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 5. 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) Upon the request of the authority, the department of local government finance shall establish a cumulative building fund under IC 8-22-3-25 to be a fund of the authority beginning in 2014.**

**(c) Notwithstanding IC 8-22-3-25, the maximum permissible ad valorem property tax levy for the fund may not exceed thirty-three hundredths of one cent (\$0.0033) on each one hundred dollars (\$100) of assessed value of taxable property within the district.**

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

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- 1           (1) certified by the Federal Aviation Administration as having a
- 2           minimum landing weight of at least five thousand (5,000) pounds;
- 3           or
- 4           (2) equipped with a turboprop or turbojet power plant.
- 5           **(b) (a)** Transactions involving tangible personal property (including
- 6           materials, parts, equipment, and engines) are exempt from the state
- 7           gross retail tax, if the property is:
- 8           (1) used;
- 9           (2) consumed; or
- 10          (3) installed;
- 11          in furtherance of, or in, the repair, maintenance, refurbishment,
- 12          remodeling, or remanufacturing of an aircraft or an avionics ~~systems~~
- 13          **system** of an aircraft.
- 14          **(c) (b)** The exemption provided by this section applies to a
- 15          transaction only if the retail merchant, at the time of the transaction,
- 16          possesses a valid repair station certificate issued by the Federal
- 17          Aviation Administration under 14 CFR 145 et seq. or other applicable
- 18          law or regulation.
- 19          SECTION 7. IC 6-2.5-7-5, AS AMENDED BY P.L.98-2012,
- 20          SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 21          JULY 1, 2013]: Sec. 5. (a) Each retail merchant who dispenses
- 22          gasoline or special fuel from a metered pump shall, in the manner
- 23          prescribed in IC 6-2.5-6, report to the department the following
- 24          information:
- 25               (1) The total number of gallons of gasoline sold from a metered
- 26               pump during the period covered by the report.
- 27               (2) The total amount of money received from the sale of gasoline
- 28               described in subdivision (1) during the period covered by the
- 29               report.
- 30               (3) That portion of the amount described in subdivision (2) which
- 31               represents state and federal taxes imposed under this article,
- 32               IC 6-6-1.1, or Section 4081 of the Internal Revenue Code.
- 33               (4) The total number of gallons of special fuel sold from a
- 34               metered pump during the period covered by the report.
- 35               (5) The total amount of money received from the sale of special
- 36               fuel during the period covered by the report.
- 37               (6) That portion of the amount described in subdivision (5) that
- 38               represents state and federal taxes imposed under this article,
- 39               IC 6-6-2.5, or Section 4041 of the Internal Revenue Code.
- 40               **(7) The total number of gallons of E85 sold from a metered pump**
- 41               **during the period covered by the report.**
- 42          (b) Concurrently with filing the report, the retail merchant shall

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1 remit the state gross retail tax in an amount which equals six and  
 2 fifty-four hundredths percent (6.54%) of the gross receipts, including  
 3 state gross retail taxes but excluding Indiana and federal gasoline and  
 4 special fuel taxes, received by the retail merchant from the sale of the  
 5 gasoline and special fuel that is covered by the report and on which the  
 6 retail merchant was required to collect state gross retail tax. The retail  
 7 merchant shall remit that amount regardless of the amount of state  
 8 gross retail tax which the merchant has actually collected under this  
 9 chapter. However, the retail merchant is entitled to deduct and retain  
 10 the amounts prescribed in **subsection (c)**, IC 6-2.5-6-10, and  
 11 IC 6-2.5-6-11.

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

15 **(1) the sum of the prepayment amounts made during the**  
 16 **period covered by the retail merchant's report; minus**

17 **(2) the sum of prepayment amounts collected by the retail**  
 18 **merchant, in the merchant's capacity as a qualified**  
 19 **distributor, during the period covered by the retail**  
 20 **merchant's report.**

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

24 SECTION 8. IC 6-2.5-7-6.5 IS ADDED TO THE INDIANA CODE  
 25 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
 26 1, 2013]: **Sec. 6.5. (a) If the deduction under section 5(c) of this**  
 27 **chapter exceeds the amount of gross retail tax required to be**  
 28 **remitted under section 5(b) of this chapter, the retail merchant is**  
 29 **entitled to a credit. The credit shall be used as follows:**

30 **(1) First, the credit shall be applied against gross retail and**  
 31 **use tax liability of the retail merchant that is required to be**  
 32 **remitted under IC 6-2.5-6.**

33 **(2) Second, any amount remaining shall be applied against the**  
 34 **gasoline tax liability of the retail merchant, as determined**  
 35 **under IC 6-6-1.1, excluding any liability for gasoline delivered**  
 36 **to a taxable marine facility.**

37 **A retail merchant may file a claim for a refund instead of taking a**  
 38 **credit or for a refund of any excess tax payment remaining after**  
 39 **the credits allowed by this section. In addition, a retail merchant**  
 40 **may file a claim for a refund under section 12 of this chapter.**

41 **(b) A retail merchant that is entitled to a refund under this**  
 42 **section must file a claim for the refund on the form approved by**

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1 the department and must include any supporting documentation  
2 reasonably required by the department. If a retail merchant files  
3 a completed refund claim form that includes all supporting  
4 documentation, the excess tax payment that is not refunded within  
5 ninety (90) days accrues interest as provided in IC 6-8.1-9-2.

6 (c) Before the fifth day of each month, the department shall  
7 determine and notify the treasurer of state of the amount of credits  
8 applied during the preceding month against the gasoline tax under  
9 this section. The treasurer of state shall transfer from the general  
10 fund:

- 11 (1) to the highway, road and street fund, twenty-five percent
- 12 (25%) of the amount set forth in the department's notice; and
- 13 (2) to the motor fuel tax fund of the motor vehicle highway
- 14 account, seventy-five percent (75%) of the amount set forth in
- 15 the department's notice.

16 (d) If the department has allowed the credit or refund provided  
17 by this section after June 30, 2012, and before July 1, 2013, the  
18 department's allowance of the credit or refund is legalized and  
19 validated.

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

- 27 (b) A distributor that:
  - 28 (1) prepays the state gross retail tax under this chapter;
  - 29 (2) is a retail merchant; and
  - 30 (3) sells gasoline that is exempt from the gross retail tax, as
  - 31 evidenced by a purchaser's exemption certificate issued by the
  - 32 department;

33 may not require the exempt purchaser to pay the gross retail taxes  
34 prepaid in the gasoline sold to the exempt purchaser. A distributor that  
35 has prepaid gross retail taxes and has not been reimbursed because the  
36 gasoline is sold to an exempt purchaser may file a claim for a refund  
37 (in addition to any claim for a refund under section 6.5 of this  
38 chapter), if the amount of unreimbursed prepaid gross retail taxes  
39 exceeds five hundred dollars (\$500). A claim for a refund must be on  
40 the form approved by the department and include all supporting  
41 documentation reasonably required by the department. If a distributor  
42 files a completed refund claim form that includes all supporting

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1 documentation, the department shall authorize the auditor of state to  
2 issue a warrant for the refund.

3 SECTION 10. IC 6-4.1-11-6, AS AMENDED BY P.L.157-2012,  
4 SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
5 JULY 1, 2013]: Sec. 6. (a) The department of state revenue shall  
6 collect the Indiana estate tax and the interest charges imposed under  
7 this chapter. The department shall remit the money which it collects  
8 under this chapter to the state treasurer, and the state treasurer shall  
9 deposit the money in the state general fund.

10 (b) Except as provided in subsection ~~(c)~~; **(d)**, the treasurer of state  
11 shall annually distribute to each county the amount determined under  
12 subsection (c) ~~or (d)~~ for the county. The distribution for a particular  
13 state fiscal year must be made before August 15 of the following state  
14 fiscal year. There is appropriated from the state general fund the  
15 amount necessary to make the distributions under this subsection.

16 (c) For a state fiscal year ending before July 1, ~~2012~~; **2022**, the  
17 department of state revenue shall determine the inheritance tax  
18 replacement amount for each county using the following formula:

19 STEP ONE: Determine the amount of inheritance tax revenue  
20 retained by each county in each state fiscal year beginning with  
21 the state fiscal year that began July 1, 1990, and ending with the  
22 state fiscal year that ends June 30, 1997.

23 STEP TWO: Determine the average annual amount of inheritance  
24 tax revenue retained by each county using five (5) of the seven (7)  
25 state fiscal years described in STEP ONE after excluding the two  
26 (2) years in which each county retained its highest and lowest  
27 totals of inheritance tax revenue.

28 STEP THREE: Determine the remainder of the STEP TWO  
29 amount minus the amount of inheritance taxes retained by the  
30 county during the immediately preceding state fiscal year.

31 ~~(d) For a state fiscal year beginning after June 30, 2012, and ending~~  
32 ~~before July 1, 2022, the department of state revenue shall determine the~~  
33 ~~inheritance tax replacement amount for each county using the~~  
34 ~~following formula:~~

35 ~~STEP ONE: Determine the inheritance tax replacement amount~~  
36 ~~distributed to the county for the state fiscal year that began on~~  
37 ~~July 1, 2011.~~

38 ~~STEP TWO: FOUR:~~ Multiply the amount determined under  
39 ~~STEP ONE THREE~~ by the appropriate percentage as follows:

40 ~~(A) Ninety-one percent (91%) for the state fiscal year~~  
41 ~~beginning July 1, 2012.~~

42 ~~(B) (A) Eighty-two percent (82%) for the state fiscal year~~

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- 1 beginning July 1, 2013.
- 2 ~~(C)~~ **(B)** Seventy-three percent (73%) for the state fiscal year
- 3 beginning July 1, 2014.
- 4 ~~(D)~~ **(C)** Sixty-four percent (64%) for the state fiscal year
- 5 beginning July 1, 2015.
- 6 ~~(E)~~ **(D)** Fifty-five percent (55%) for the state fiscal year
- 7 beginning July 1, 2016.
- 8 ~~(F)~~ **(E)** Forty-five percent (45%) for the state fiscal year
- 9 beginning July 1, 2017.
- 10 ~~(G)~~ **(F)** Thirty-six percent (36%) for the state fiscal year
- 11 beginning July 1, 2018.
- 12 ~~(H)~~ **(G)** Twenty-seven percent (27%) for the state fiscal year
- 13 beginning July 1, 2019.
- 14 ~~(I)~~ **(H)** Eighteen percent (18%) for the state fiscal year
- 15 beginning July 1, 2020.
- 16 ~~(J)~~ **(I)** Nine percent (9%) for the state fiscal year beginning
- 17 July 1, 2021.

18 ~~(e)~~ **(d)** A county is not entitled to a distribution under subsection (b)  
 19 for a state fiscal year beginning after June 30, 2022.

20 SECTION 11. IC 8-22-3-24 IS AMENDED TO READ AS  
 21 FOLLOWS [EFFECTIVE JULY 1, 2013]: Sec. 24. **(a)** The tax levy  
 22 **under section 23 of this chapter**, as finally approved by the  
 23 department of local government finance, must be assessed and  
 24 collected by the county treasurer of the county or counties within which  
 25 the district is located as other taxes are levied and collected. The  
 26 county treasurer shall remit all taxes so collected to the treasurer of the  
 27 authority. **Each year, the board may transfer to the authority's**  
 28 **cumulative building fund an amount not to exceed five percent**  
 29 **(5%) of the taxes received under this section in that year.**

30 SECTION 12. IC 36-1.5-3-4, AS ADDED BY P.L.186-2006,  
 31 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 32 JULY 1, 2013]: Sec. 4. Subject to this chapter, the department of local  
 33 government finance shall adjust the maximum permissible property tax  
 34 levies, maximum permissible property tax rates, and budgets of  
 35 political subdivisions that enter into a reorganization under this article  
 36 as the department of local government finance determines necessary,  
 37 **including adjustments**, to do the following:

- 38 (1) Eliminate double taxation by different political subdivisions
- 39 for services or goods provided under this article.
- 40 (2) Eliminate any excess by which the amount of property taxes
- 41 imposed by a political subdivision exceeds the amount necessary
- 42 to pay for services or goods provided under this article.

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

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

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

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

25 (A) Grants of preferences for access to and commercialization  
26 of intellectual property.

27 (B) Access to laboratory and other facilities owned by or under  
28 the control of the postsecondary educational institution or  
29 private research based institute.

30 (C) Donations of services.

31 (D) Access to telecommunications facilities and other  
32 infrastructure.

33 (E) Financial commitments.

34 (F) Access to faculty, staff, and students.

35 (G) Opportunities for adjunct faculty and other types of staff  
36 arrangements or affiliations.

37 (H) Other criteria considered appropriate by the Indiana  
38 economic development corporation.

39 (2) A demonstration of a significant commitment by the  
40 postsecondary educational institution, private research based  
41 institute, or military research and development or testing facility  
42 on an active United States government military base or other

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military installation to the commercialization of research produced at the certified technology park, as evidenced by the intellectual property and, if applicable, tenure policies that reward faculty and staff for commercialization and collaboration with private businesses.

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

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

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

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

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

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

(A) A commitment to new business formation.

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

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

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

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

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

(b) The Indiana economic development corporation may not approve an application that would result in a substantial reduction or

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1 cessation of operations in another location in Indiana in order to  
 2 relocate them within the certified technology park. **The Indiana**  
 3 **economic development corporation may designate not more than**  
 4 **two (2) new certified technology parks during any state fiscal year.**  
 5 **The designation of a new certified technology park is subject to**  
 6 **review and approval under section 11.5 of this chapter.**

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

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

24 If a certified technology park is not recertified, the Indiana economic  
 25 development corporation shall send a certified copy of a notice of the  
 26 determination to the county auditor, the department of local  
 27 government finance, and the department of state revenue.

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

- 30 (1) submitted as part of the review process under subsection (c);  
 31 and
- 32 (2) marked as confidential;

33 by the certified technology park.

34 SECTION 14. IC 36-7-32-11.5 IS ADDED TO THE INDIANA  
 35 CODE AS A **NEW SECTION TO READ AS FOLLOWS**  
 36 **[EFFECTIVE JULY 1, 2013]: Sec. 11.5. (a) If the Indiana economic**  
 37 **development corporation desires to designate a certified technology**  
 38 **park under this chapter, the corporation shall submit its proposed**  
 39 **designation to the budget committee for review and**  
 40 **recommendation to the budget agency. The budget committee shall**  
 41 **meet not later than sixty (60) days after receipt of the proposed**  
 42 **designation and shall make a recommendation on the designation**



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to the budget agency.

(b) When considering the proposed designation of a certified technology park by the corporation under this section, the budget committee and the budget agency must make the following findings 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 15. [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 16. [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 17. [EFFECTIVE UPON PASSAGE] (a)

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1 **IC 6-1.1-20.6-2, as amended by this act, applies only to property**  
2 **taxes first due and payable after December 31, 2013.**  
3 **(b) This SECTION expires July 1, 2016.**  
4 **SECTION 18. An emergency is declared for this act.**

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