

SENATE MOTION

MADAM PRESIDENT:

I move that Engrossed House Bill 1544 be amended to read as follows:

- 1 Page 1, between the enacting clause and line 1, begin a new
- 2 paragraph and insert:
- 3 "SECTION 1. IC 6-1.1-12-37, AS AMENDED BY P.L.137-2012,
- 4 SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 5 MARCH 1, 2013 (RETROACTIVE)]; Sec. 37. (a) The following
- 6 definitions apply throughout this section:
- 7 (1) "Dwelling" means any of the following:
- 8 (A) Residential real property improvements that an individual
- 9 uses as the individual's residence, including a house or garage.
- 10 (B) A mobile home that is not assessed as real property that an
- 11 individual uses as the individual's residence.
- 12 (C) A manufactured home that is not assessed as real property
- 13 that an individual uses as the individual's residence.
- 14 (2) "Homestead" means an individual's principal place of
- 15 residence:
- 16 (A) that is located in Indiana;
- 17 (B) that:
- 18 (i) the individual owns;
- 19 (ii) the individual is buying under a contract; recorded in the
- 20 county recorder's office, that provides that the individual is
- 21 to pay the property taxes on the residence;
- 22 (iii) the individual is entitled to occupy as a
- 23 tenant-stockholder (as defined in 26 U.S.C. 216) of a
- 24 cooperative housing corporation (as defined in 26 U.S.C.
- 25 216); or
- 26 (iv) is a residence described in section 17.9 of this chapter
- 27 that is owned by a trust if the individual is an individual
- 28 described in section 17.9 of this chapter; and
- 29 (C) that consists of a dwelling and the real estate, not
- 30 exceeding one (1) acre, that immediately surrounds that

- 1 dwelling.
- 2 Except as provided in subsection (k), the term does not include
- 3 property owned by a corporation, partnership, limited liability
- 4 company, or other entity not described in this subdivision.
- 5 (b) Each year a homestead is eligible for a standard deduction from
- 6 the assessed value of the homestead for an assessment date. **Except as**
- 7 **provided in subsection (p)**, the deduction provided by this section
- 8 applies to property taxes first due and payable for an assessment date
- 9 only if an individual has an interest in the homestead described in
- 10 subsection (a)(2)(B) on:
- 11 (1) the assessment date; or
- 12 (2) any date in the same year after an assessment date that a
- 13 statement is filed under subsection (e) or section 44 of this
- 14 chapter, if the property consists of real property.
- 15 Subject to subsection (c), the auditor of the county shall record and
- 16 make the deduction for the individual or entity qualifying for the
- 17 deduction.
- 18 (c) Except as provided in section 40.5 of this chapter, the total
- 19 amount of the deduction that a person may receive under this section
- 20 for a particular year is the lesser of:
- 21 (1) sixty percent (60%) of the assessed value of the real property,
- 22 mobile home not assessed as real property, or manufactured home
- 23 not assessed as real property; or
- 24 (2) forty-five thousand dollars (\$45,000).
- 25 (d) A person who has sold real property, a mobile home not assessed
- 26 as real property, or a manufactured home not assessed as real property
- 27 to another person under a contract that provides that the contract buyer
- 28 is to pay the property taxes on the real property, mobile home, or
- 29 manufactured home may not claim the deduction provided under this
- 30 section with respect to that real property, mobile home, or
- 31 manufactured home.
- 32 (e) Except as provided in sections 17.8 and 44 of this chapter and
- 33 subject to section 45 of this chapter, an individual who desires to claim
- 34 the deduction provided by this section must file a certified statement in
- 35 duplicate, on forms prescribed by the department of local government
- 36 finance, with the auditor of the county in which the homestead is
- 37 located. The statement must include:
- 38 (1) the parcel number or key number of the property and the name
- 39 of the city, town, or township in which the property is located;
- 40 (2) the name of any other location in which the applicant or the
- 41 applicant's spouse owns, is buying, or has a beneficial interest in
- 42 residential real property;
- 43 (3) the names of:
- 44 (A) the applicant and the applicant's spouse (if any):
- 45 (i) as the names appear in the records of the United States
- 46 Social Security Administration for the purposes of the

1 issuance of a Social Security card and Social Security
 2 number; or
 3 (ii) that they use as their legal names when they sign their
 4 names on legal documents;
 5 if the applicant is an individual; or
 6 (B) each individual who qualifies property as a homestead
 7 under subsection (a)(2)(B) and the individual's spouse (if any):
 8 (i) as the names appear in the records of the United States
 9 Social Security Administration for the purposes of the
 10 issuance of a Social Security card and Social Security
 11 number; or
 12 (ii) that they use as their legal names when they sign their
 13 names on legal documents;
 14 if the applicant is not an individual; and
 15 (4) either:
 16 (A) the last five (5) digits of the applicant's Social Security
 17 number and the last five (5) digits of the Social Security
 18 number of the applicant's spouse (if any); or
 19 (B) if the applicant or the applicant's spouse (if any) do not
 20 have a Social Security number, any of the following for that
 21 individual:
 22 (i) The last five (5) digits of the individual's driver's license
 23 number.
 24 (ii) The last five (5) digits of the individual's state
 25 identification card number.
 26 (iii) If the individual does not have a driver's license or a
 27 state identification card, the last five (5) digits of a control
 28 number that is on a document issued to the individual by the
 29 federal government and determined by the department of
 30 local government finance to be acceptable.

31 If a form or statement provided to the county auditor under this section,
 32 IC 6-1.1-22-8.1, or IC 6-1.1-22.5-12 includes the telephone number or
 33 part or all of the Social Security number of a party or other number
 34 described in subdivision (4)(B) of a party, the telephone number and
 35 the Social Security number or other number described in subdivision
 36 (4)(B) included are confidential. The statement may be filed in person
 37 or by mail. If the statement is mailed, the mailing must be postmarked
 38 on or before the last day for filing. The statement applies for that first
 39 year and any succeeding year for which the deduction is allowed. With
 40 respect to real property, the statement must be completed and dated in
 41 the calendar year for which the person desires to obtain the deduction
 42 and filed with the county auditor on or before January 5 of the
 43 immediately succeeding calendar year. With respect to a mobile home
 44 that is not assessed as real property, the person must file the statement
 45 during the twelve (12) months before March 31 of the year for which
 46 the person desires to obtain the deduction.

1 (f) If an individual who is receiving the deduction provided by this
 2 section or who otherwise qualifies property for a deduction under this
 3 section:

4 (1) changes the use of the individual's property so that part or all
 5 of the property no longer qualifies for the deduction under this
 6 section; or

7 (2) is no longer eligible for a deduction under this section on
 8 another parcel of property because:

9 (A) the individual would otherwise receive the benefit of more
 10 than one (1) deduction under this chapter; or

11 (B) the individual maintains the individual's principal place of
 12 residence with another individual who receives a deduction
 13 under this section;

14 the individual must file a certified statement with the auditor of the
 15 county, notifying the auditor of the change of use, not more than sixty
 16 (60) days after the date of that change. An individual who fails to file
 17 the statement required by this subsection is liable for any additional
 18 taxes that would have been due on the property if the individual had
 19 filed the statement as required by this subsection plus a civil penalty
 20 equal to ten percent (10%) of the additional taxes due. The civil penalty
 21 imposed under this subsection is in addition to any interest and
 22 penalties for a delinquent payment that might otherwise be due. One
 23 percent (1%) of the total civil penalty collected under this subsection
 24 shall be transferred by the county to the department of local
 25 government finance for use by the department in establishing and
 26 maintaining the homestead property data base under subsection (i) and,
 27 to the extent there is money remaining, for any other purposes of the
 28 department. This amount becomes part of the property tax liability for
 29 purposes of this article.

30 (g) The department of local government finance shall adopt rules or
 31 guidelines concerning the application for a deduction under this
 32 section.

33 (h) This subsection does not apply to property in the first year for
 34 which a deduction is claimed under this section if the sole reason that
 35 a deduction is claimed on other property is that the individual or
 36 married couple maintained a principal residence at the other property
 37 on March 1 in the same year in which an application for a deduction is
 38 filed under this section or, if the application is for a homestead that is
 39 assessed as personal property, on March 1 in the immediately
 40 preceding year and the individual or married couple is moving the
 41 individual's or married couple's principal residence to the property that
 42 is the subject of the application. Except as provided in subsection (n),
 43 the county auditor may not grant an individual or a married couple a
 44 deduction under this section if:

45 (1) the individual or married couple, for the same year, claims the
 46 deduction on two (2) or more different applications for the

1 deduction; and

2 (2) the applications claim the deduction for different property.

3 (i) The department of local government finance shall provide secure
4 access to county auditors to a homestead property data base that
5 includes access to the homestead owner's name and the numbers
6 required from the homestead owner under subsection (e)(4) for the sole
7 purpose of verifying whether an owner is wrongly claiming a deduction
8 under this chapter or a credit under IC 6-1.1-20.4, IC 6-1.1-20.6, or
9 IC 6-3.5.

10 (j) A county auditor may require an individual to provide evidence
11 proving that the individual's residence is the individual's principal place
12 of residence as claimed in the certified statement filed under subsection
13 (e). The county auditor may limit the evidence that an individual is
14 required to submit to a state income tax return, a valid driver's license,
15 or a valid voter registration card showing that the residence for which
16 the deduction is claimed is the individual's principal place of residence.
17 The department of local government finance shall work with county
18 auditors to develop procedures to determine whether a property owner
19 that is claiming a standard deduction or homestead credit is not eligible
20 for the standard deduction or homestead credit because the property
21 owner's principal place of residence is outside Indiana.

22 (k) As used in this section, "homestead" includes property that
23 satisfies each of the following requirements:

24 (1) The property is located in Indiana and consists of a dwelling
25 and the real estate, not exceeding one (1) acre, that immediately
26 surrounds that dwelling.

27 (2) The property is the principal place of residence of an
28 individual.

29 (3) The property is owned by an entity that is not described in
30 subsection (a)(2)(B).

31 (4) The individual residing on the property is a shareholder,
32 partner, or member of the entity that owns the property.

33 (5) The property was eligible for the standard deduction under
34 this section on March 1, 2009.

35 (l) If a county auditor terminates a deduction for property described
36 in subsection (k) with respect to property taxes that are:

37 (1) imposed for an assessment date in 2009; and

38 (2) first due and payable in 2010;

39 on the grounds that the property is not owned by an entity described in
40 subsection (a)(2)(B), the county auditor shall reinstate the deduction if
41 the taxpayer provides proof that the property is eligible for the
42 deduction in accordance with subsection (k) and that the individual
43 residing on the property is not claiming the deduction for any other
44 property.

45 (m) For assessments dates after 2009, the term "homestead"
46 includes:

- 1 (1) a deck or patio;
 2 (2) a gazebo; or
 3 (3) another residential yard structure, as defined in rules adopted
 4 by the department of local government finance (other than a
 5 swimming pool);
 6 that is assessed as real property and attached to the dwelling.
- 7 (n) A county auditor shall grant an individual a deduction under this
 8 section regardless of whether the individual and the individual's spouse
 9 claim a deduction on two (2) different applications and each
 10 application claims a deduction for different property if the property
 11 owned by the individual's spouse is located outside Indiana and the
 12 individual files an affidavit with the county auditor containing the
 13 following information:
- 14 (1) The names of the county and state in which the individual's
 15 spouse claims a deduction substantially similar to the deduction
 16 allowed by this section.
- 17 (2) A statement made under penalty of perjury that the following
 18 are true:
- 19 (A) That the individual and the individual's spouse maintain
 20 separate principal places of residence.
- 21 (B) That neither the individual nor the individual's spouse has
 22 an ownership interest in the other's principal place of
 23 residence.
- 24 (C) That neither the individual nor the individual's spouse has,
 25 for that same year, claimed a standard or substantially similar
 26 deduction for any property other than the property maintained
 27 as a principal place of residence by the respective individuals.
- 28 A county auditor may require an individual or an individual's spouse to
 29 provide evidence of the accuracy of the information contained in an
 30 affidavit submitted under this subsection. The evidence required of the
 31 individual or the individual's spouse may include state income tax
 32 returns, excise tax payment information, property tax payment
 33 information, driver license information, and voter registration
 34 information.
- 35 (o) If:
- 36 (1) a property owner files a statement under subsection (e) to
 37 claim the deduction provided by this section for a particular
 38 property; and
 39 (2) the county auditor receiving the filed statement determines
 40 that the property owner's property is not eligible for the deduction;
 41 the county auditor shall inform the property owner of the county
 42 auditor's determination in writing. If a property owner's property is not
 43 eligible for the deduction because the county auditor has determined
 44 that the property is not the property owner's principal place of
 45 residence, the property owner may appeal the county auditor's
 46 determination to the county property tax assessment board of appeals

1 as provided in IC 6-1.1-15. The county auditor shall inform the
 2 property owner of the owner's right to appeal to the county property tax
 3 assessment board of appeals when the county auditor informs the
 4 property owner of the county auditor's determination under this
 5 subsection.

6 **(p) An individual is entitled to the deduction under this section
 7 for a homestead for a particular assessment date if:**

8 **(1) either:**

9 **(A) the individual's interest in the homestead as described
 10 in subsection (a)(2)(B) is conveyed to the individual after
 11 the assessment date, but within the calendar year in which
 12 the assessment date occurs; or**

13 **(B) the individual contracts to purchase the homestead
 14 after the assessment date, but within the calendar year in
 15 which the assessment date occurs;**

16 **(2) on the assessment date:**

17 **(A) the property on which the homestead is currently
 18 located was vacant land; or**

19 **(B) the construction of the dwelling that constitutes the
 20 homestead was not completed;**

21 **(3) either:**

22 **(A) the individual files the certified statement required by
 23 subsection (e) on or before December 31 of the calendar
 24 year in which the assessment date occurs to claim the
 25 deduction under this section; or**

26 **(B) a sales disclosure form that meets the requirements of
 27 section 44 of this chapter is submitted to the county
 28 assessor on or before December 31 of the calendar year for
 29 the individual's purchase of the homestead; and**

30 **(4) the individual files with the county auditor on or before
 31 December 31 of the calendar year in which the assessment
 32 date occurs a statement that:**

33 **(A) lists any other property for which the individual would
 34 otherwise receive a deduction under this section for the
 35 assessment date; and**

36 **(B) cancels the deduction described in clause (A) for that
 37 property.**

38 **An individual who satisfies the requirements of subdivisions (1)
 39 through (4) is entitled to the deduction under this section for the
 40 homestead for the assessment date, even if on the assessment date
 41 the property on which the homestead is currently located was
 42 vacant land or the construction of the dwelling that constitutes the
 43 homestead was not completed. The county auditor shall apply the
 44 deduction for the assessment date and for the assessment date in
 45 any later year in which the homestead remains eligible for the
 46 deduction. A homestead that qualifies for the deduction under this
 47 section as provided in this subsection is considered a homestead for**

1 **purposes of section 37.5 of this chapter and IC 6-1.1-20.6. The**
2 **county auditor shall cancel the deduction under this section for any**
3 **property that is located in the county and is listed on the statement**
4 **filed by the individual under subdivision (4). If the property listed**
5 **on the statement filed under subdivision (4) is located in another**
6 **county, the county auditor who receives the statement shall**
7 **forward the statement to the county auditor of that other county,**
8 **and the county auditor of that other county shall cancel the**
9 **deduction under this section for that property."**

10 Renumber all SECTIONS consecutively.
 (Reference is to EHB 1544 as printed April 5, 2013.)

Senator WALKER