



February 22, 2013

# SENATE BILL No. 494

DIGEST OF SB 494 (Updated February 19, 2013 2:50 pm - DI 58)

**Citations Affected:** IC 6-1.1; IC 6-2.5; IC 6-4.1; IC 8-22; IC 20-46; IC 36-1.5; IC 36-7; noncode.

**Synopsis:** State and local taxation. 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. Provides that real property leased to a state agency is exempt from property taxes if the lease requires the state agency to reimburse the owner for property taxes. Provides a property tax exemption for signs manufactured for the Indiana department of transportation to comply with federal highway funding requirements under federal law. 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 for a school corporation whose voters adopted a referendum after November 1, 2009, and before May 1, 2010, that the property tax revenue from the referendum is to be distributed to the school corporation instead of the redevelopment commission having taxable property within the school corporation (applies to revenue received after 2013). Specifies that the department of local government finance (department) shall annually review each coefficient of dispersion study and each sales assessment ratio study that are submitted by a county. Creates a five year pilot program to require the department to review and analyze certain improved residential property data submitted for North Township in Lake County and for Center, Wayne, and Washington townships in Marion County. Requires the department to separate the parcels in these townships into four comparable groups and separately review and analyze data for each of the four groups and  
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**Effective:** Upon passage; January 1, 2007 (retroactive); January 1, 2011 (retroactive); July 1, 2013; January 1, 2014.

**Hershman, Mishler, Hume,  
Miller Patricia**

January 14, 2013, read first time and referred to Committee on Tax and Fiscal Policy.  
February 21, 2013, amended, reported favorably — Do Pass.

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Digest Continued

to prepare a coefficient of dispersion study and a property sales assessment ratio study for each group. Provides a sales tax exemption for fuel used in powering an aircraft. 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 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. Forgives property taxes, penalties, or interest for the 2007 and 2008 assessment dates for a church that: (1) purchased real property in June 2007; (2) has used the real property for church purposes since purchasing the real property; and (3) filed a property tax exemption application for the real property in June 2007. Forgives property taxes, penalties, or interest for the 2011 and 2012 assessment dates for several parcels of a nonprofit corporation that: (1) owned, occupied, and used the property for exempt purpose; and (2) failed to timely file a property tax exemption application for one of those parcels.

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February 22, 2013

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 6-1.1-10-2 IS AMENDED TO READ AS  
2 FOLLOWS [EFFECTIVE JANUARY 1, 2014]: Sec. 2. **(a)** Except as  
3 otherwise provided by law, the property owned by this state, a state  
4 agency, or the bureau of motor vehicles commission is exempt from  
5 property taxation.

6 **(b) Real property leased to a state agency is exempt from**  
7 **property taxes if the lease requires the state agency to reimburse**  
8 **the owner for property taxes.**

9 SECTION 2. IC 6-1.1-10-45 IS ADDED TO THE INDIANA CODE  
10 AS A **NEW SECTION** TO READ AS FOLLOWS [EFFECTIVE  
11 JANUARY 1, 2014]: **Sec. 45. (a) Tangible personal property**  
12 **consisting of a sign that is manufactured for the Indiana**  
13 **department of transportation in order for the department to**  
14 **comply with 23 U.S.C. 131 is exempt from personal property**  
15 **taxation.**

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1 (b) The owner of personal property that wishes to obtain the  
2 exemption provided by this section must file an exemption claim  
3 along with the owner's annual personal property tax return. The  
4 claim must describe and state the assessed value of the personal  
5 property for which an exemption is claimed.

6 (c) The township or county assessor shall:

- 7 (1) review the exemption claim; and
- 8 (2) allow or deny the exemption claim in whole or in part.

9 The assessor's action is subject to all the provisions of this article  
10 pertaining to notice, review, or appeal of personal property  
11 assessments.

12 (d) The township or county assessor shall reduce the assessed  
13 value of the owner's personal property for the year for which the  
14 exemption is claimed by the amount of exemption allowed.

15 SECTION 3. IC 6-1.1-14-12 IS ADDED TO THE INDIANA CODE  
16 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
17 1, 2013]: Sec. 12. (a) As part of the review under IC 6-1.1-33.5-3(4)  
18 and IC 6-1.1-33.5-3(5) of the coefficient of dispersion study and  
19 property sales assessment ratio study submitted by a county under  
20 50 IAC 27-4-4, the department of local government finance shall  
21 conduct the review and analysis described in this section.

22 (b) The department shall:

- 23 (1) conduct its review and analysis for studies submitted in  
24 2013 through 2017; and
- 25 (2) review and analyze only data and studies for property that  
26 is classified as improved residential property in townships  
27 having a population of more than one hundred thirty  
28 thousand (130,000).

29 (c) The department shall separate each township described in  
30 subsection (b) into four (4) comparable groups of parcels as  
31 determined by the department. The department shall:

- 32 (1) separately review and analyze for each group of parcels  
33 data used for the coefficient of dispersion study and the  
34 property sales assessment ratio study submitted by the  
35 county; and
- 36 (2) prepare a coefficient of dispersion study and a property  
37 sales assessment ratio study for each group of parcels.

38 SECTION 4. IC 6-1.1-15-1, AS AMENDED BY P.L.146-2012,  
39 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
40 JULY 1, 2013]: Sec. 1. (a) A taxpayer may obtain a review by the  
41 county board of a county or township official's action with respect to  
42 either or both of the following:

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- 1 (1) The assessment of the taxpayer's tangible property.
- 2 (2) A deduction for which a review under this section is
- 3 authorized by any of the following:
- 4 (A) IC 6-1.1-12-25.5.
- 5 (B) IC 6-1.1-12-28.5.
- 6 (C) IC 6-1.1-12-35.5.
- 7 (D) IC 6-1.1-12.1-5.
- 8 (E) IC 6-1.1-12.1-5.3.
- 9 (F) IC 6-1.1-12.1-5.4.
- 10 (b) At the time that notice of an action referred to in subsection (a)
- 11 is given to the taxpayer, the taxpayer shall also be informed in writing
- 12 of:
- 13 (1) the opportunity for a review under this section, including a
- 14 preliminary informal meeting under subsection (h)(2) with the
- 15 county or township official referred to in this subsection; and
- 16 (2) the procedures the taxpayer must follow in order to obtain a
- 17 review under this section.
- 18 (c) In order to obtain a review of an assessment or deduction
- 19 effective for the assessment date to which the notice referred to in
- 20 subsection (b) applies, the taxpayer must file a notice in writing with
- 21 the county or township official referred to in subsection (a) not later
- 22 than forty-five (45) days after the date of the notice referred to in
- 23 subsection (b).
- 24 (d) A taxpayer may obtain a review by the county board of the
- 25 assessment of the taxpayer's tangible property effective for an
- 26 assessment date for which a notice of assessment is not given as
- 27 described in subsection (b). To obtain the review, the taxpayer must file
- 28 a notice in writing with the township assessor, or the county assessor
- 29 if the township is not served by a township assessor. The right of a
- 30 taxpayer to obtain a review under this subsection for an assessment
- 31 date for which a notice of assessment is not given does not relieve an
- 32 assessing official of the duty to provide the taxpayer with the notice of
- 33 assessment as otherwise required by this article. The notice to obtain
- 34 a review must be filed not later than the later of:
- 35 (1) May 10 of the year; or
- 36 (2) forty-five (45) days after the date of the tax statement mailed
- 37 by the county treasurer, regardless of whether the assessing
- 38 official changes the taxpayer's assessment.
- 39 (e) A change in an assessment made as a result of a notice for
- 40 review filed by a taxpayer under subsection (d) after the time
- 41 prescribed in subsection (d) becomes effective for the next assessment
- 42 date. A change in an assessment made as a result of a notice for review

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1 filed by a taxpayer under subsection (c) or (d) remains in effect from  
 2 the assessment date for which the change is made until the next  
 3 assessment date for which the assessment is changed under this article.

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

- 6 (1) The name of the taxpayer.
- 7 (2) The address and parcel or key number of the property.
- 8 (3) The address and telephone number of the taxpayer.

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

- 10 (1) initiates a review under this section; and
- 11 (2) constitutes a request by the taxpayer for a preliminary  
 12 informal meeting with the official referred to in subsection (a).

13 (h) A county or township official who receives a notice for review  
 14 filed by a taxpayer under subsection (c) or (d) shall:

- 15 (1) immediately forward the notice to the county board; and
- 16 (2) attempt to hold a preliminary informal meeting with the  
 17 taxpayer to resolve as many issues as possible by:
  - 18 (A) discussing the specifics of the taxpayer's assessment or  
 19 deduction;
  - 20 (B) reviewing the taxpayer's property record card;
  - 21 (C) explaining to the taxpayer how the assessment or  
 22 deduction was determined;
  - 23 (D) providing to the taxpayer information about the statutes,  
 24 rules, and guidelines that govern the determination of the  
 25 assessment or deduction;
  - 26 (E) noting and considering objections of the taxpayer;
  - 27 (F) considering all errors alleged by the taxpayer; and
  - 28 (G) otherwise educating the taxpayer about:
    - 29 (i) the taxpayer's assessment or deduction;
    - 30 (ii) the assessment or deduction process; and
    - 31 (iii) the assessment or deduction appeal process.

32 (i) Not later than ten (10) days after the informal preliminary  
 33 meeting, the official referred to in subsection (a) shall forward to the  
 34 county auditor and the county board the results of the conference on a  
 35 form prescribed by the department of local government finance that  
 36 must be completed and signed by the taxpayer and the official. The  
 37 form must indicate the following:

- 38 (1) If the taxpayer and the official agree on the resolution of all  
 39 assessment or deduction issues in the review, a statement of:
  - 40 (A) those issues; and
  - 41 (B) the assessed value of the tangible property or the amount  
 42 of the deduction that results from the resolution of those issues

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1                   in the manner agreed to by the taxpayer and the official.  
2                   (2) If the taxpayer and the official do not agree on the resolution  
3                   of all assessment or deduction issues in the review:  
4                   (A) a statement of those issues; and  
5                   (B) the identification of:  
6                   (i) the issues on which the taxpayer and the official agree;  
7                   and  
8                   (ii) the issues on which the taxpayer and the official  
9                   disagree.  
10                  (j) If the county board receives a form referred to in subsection  
11                  (i)(1) before the hearing scheduled under subsection (k):  
12                   (1) the county board shall cancel the hearing;  
13                   (2) the county official referred to in subsection (a) shall give  
14                   notice to the taxpayer, the county board, the county assessor, and  
15                   the county auditor of the assessment or deduction in the amount  
16                   referred to in subsection (i)(1)(B); and  
17                   (3) if the matter in issue is the assessment of tangible property,  
18                   the county board may reserve the right to change the assessment  
19                   under IC 6-1.1-13.  
20                  (k) If:  
21                   (1) subsection (i)(2) applies; or  
22                   (2) the county board does not receive a form referred to in  
23                   subsection (i) not later than one hundred twenty (120) days after  
24                   the date of the notice for review filed by the taxpayer under  
25                   subsection (c) or (d);  
26                  the county board shall hold a hearing on a review under this subsection  
27                  not later than one hundred eighty (180) days after the date of that  
28                  notice. The county board shall, by mail, give at least thirty (30) days  
29                  notice of the date, time, and place fixed for the hearing to the taxpayer  
30                  and the county or township official with whom the taxpayer filed the  
31                  notice for review. The taxpayer and the county or township official  
32                  with whom the taxpayer filed the notice for review are parties to the  
33                  proceeding before the county board. A taxpayer may request a  
34                  continuance of the hearing by filing, at least twenty (20) days before  
35                  the hearing date, a request for continuance with the board and the  
36                  county or township official with evidence supporting a just cause for  
37                  the continuance. The board shall, not later than ten (10) days after the  
38                  date the request for a continuance is filed, either find that the taxpayer  
39                  has demonstrated a just cause for a continuance and grant the taxpayer  
40                  the continuance, or deny the continuance. A taxpayer may request that  
41                  the board take action without the taxpayer being present and that the  
42                  board make a decision based on the evidence already submitted to the

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1 board by filing, at least eight (8) days before the hearing date, a request  
 2 with the board and the county or township official. A taxpayer may  
 3 withdraw a petition by filing, at least eight (8) days before the hearing  
 4 date, a notice of withdrawal with the board and the county or township  
 5 official.

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

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

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

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

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

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

22 (m) The official referred to in subsection (a) may not require the  
 23 taxpayer to provide documentary evidence at the preliminary informal  
 24 meeting under subsection (h). The county board may not require a  
 25 taxpayer to file documentary evidence or summaries of statements of  
 26 testimonial evidence before the hearing required under subsection (k).  
 27 If the action for which a taxpayer seeks review under this section is the  
 28 assessment of tangible property, the taxpayer is not required to have an  
 29 appraisal of the property in order to do the following:

30 (1) Initiate the review.

31 (2) Prosecute the review.

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

37 (o) If the maximum time elapses:

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

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

41 the taxpayer may initiate a proceeding for review before the Indiana  
 42 board by taking the action required by section 3 of this chapter at any

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1 time after the maximum time elapses.

2 SECTION 5. IC 6-1.1-20-12, AS ADDED BY P.L.203-2011,  
3 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
4 JULY 1, 2013]: Sec. 12. (a) This section applies to taxes first due and  
5 payable in 2012 or a subsequent year.

6 (b) The county auditor shall distribute proceeds collected from an  
7 allocation area (as defined in IC 6-1.1-21.2-3) that are attributable to  
8 property taxes imposed after being approved by the voters in a  
9 referendum conducted after April 30, 2010, to the taxing unit for which  
10 the referendum was conducted.

11 (c) The amount to be distributed under subsection (b) shall be  
12 treated as part of the referendum levy for purposes of setting tax rates  
13 for property taxes imposed after being approved by the voters in a  
14 referendum conducted after April 30, 2010.

15 **(d) For a school corporation that conducted a referendum after**  
16 **November 1, 2009, and before May 1, 2010, for distributions after**  
17 **2013, the county auditor shall distribute proceeds collected from an**  
18 **allocation area (as defined in IC 6-1.1-21.2-3) that are attributable**  
19 **to property taxes imposed after being approved by the voters in the**  
20 **referendum, to the school corporation for which the referendum**  
21 **was conducted. The amount to be distributed to the school**  
22 **corporation shall be treated as part of the referendum levy for**  
23 **purposes of setting the school corporation's tax rates.**

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

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

31 SECTION 7. IC 6-1.1-33.5-3, AS AMENDED BY  
32 P.L.182-2009(ss), SECTION 169, IS AMENDED TO READ AS  
33 FOLLOWS [EFFECTIVE JULY 1, 2013]: Sec. 3. The division of data  
34 analysis shall:

- 35 (1) conduct continuing studies in the areas in which the  
36 department of local government finance operates;  
37 (2) make periodic field surveys and audits of:  
38 (A) tax rolls;  
39 (B) plat books;  
40 (C) building permits;  
41 (D) real estate transfers; and  
42 (E) other data that may be useful in checking property

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- 1 valuations or taxpayer returns;
- 2 (3) make test checks of property valuations to serve as the bases
- 3 for special reassessments under this article;
- 4 (4) conduct ~~biennially~~ **annually** a **review of each** coefficient of
- 5 dispersion study for each township and county; ~~in Indiana;~~
- 6 (5) conduct ~~quadrennially~~ **annually** a **review of each** sales
- 7 assessment ratio study for each township and county; ~~in Indiana;~~
- 8 and
- 9 (6) report annually to the executive director of the legislative
- 10 services agency, in an electronic format under IC 5-14-6, the
- 11 information obtained or determined under this section for use by
- 12 the executive director and the general assembly, including:
- 13 (A) all information obtained by the division of data analysis
- 14 from units of local government; and
- 15 (B) all information included in:
- 16 (i) the local government data base; and
- 17 (ii) any other data compiled by the division of data analysis.
- 18 SECTION 8. IC 6-1.1-41-16 IS ADDED TO THE INDIANA CODE
- 19 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
- 20 1, 2013]: **Sec. 16. (a) This section applies to the town of Zionsville.**
- 21 **(b) Upon the request of the town, the department of local**
- 22 **government finance shall establish for the town a cumulative**
- 23 **building and equipment fund for fire protection and related**
- 24 **services as described in IC 36-8-14 to be a fund of the town**
- 25 **beginning in 2014.**
- 26 SECTION 9. IC 6-1.1-41-17 IS ADDED TO THE INDIANA CODE
- 27 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
- 28 1, 2013]: **Sec. 17. (a) This section applies to the Frankfort Airport**
- 29 **Authority in Clinton County.**
- 30 **(b) Upon the request of the authority, the department of local**
- 31 **government finance shall establish a cumulative building fund**
- 32 **under IC 8-22-3-25 to be a fund of the authority beginning in 2014.**
- 33 **(c) Notwithstanding IC 8-22-3-25, the maximum permissible ad**
- 34 **valorem property tax levy for the fund may not exceed thirty-three**
- 35 **hundredths of one cent (\$0.0033) on each one hundred dollars**
- 36 **(\$100) of assessed value of taxable property within the district.**
- 37 SECTION 10. IC 6-2.5-5-46, AS ADDED BY P.L.153-2012,
- 38 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 39 JULY 1, 2013]: **Sec. 46. (a) For purposes of this section, "aircraft"**
- 40 **refers to an aircraft with a country of registration that is outside the**
- 41 **United States and is:**
- 42 **(+) certified by the Federal Aviation Administration as having a**

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1           minimum landing weight of at least five thousand (5,000) pounds;  
 2           or  
 3           (2) equipped with a turboprop or turbojet power plant.  
 4           **(b) (a)** Transactions involving tangible personal property (including  
 5 materials, parts, equipment, and engines) are exempt from the state  
 6 gross retail tax, if the property is:  
 7           (1) used;  
 8           (2) consumed; or  
 9           (3) installed;  
 10 in furtherance of, or in, the repair, maintenance, refurbishment,  
 11 remodeling, or remanufacturing of an aircraft or an avionics systems  
 12 **system** of an aircraft.

13           **(c) (b)** The exemption provided by this section applies to a  
 14 transaction only if the retail merchant, at the time of the transaction,  
 15 possesses a valid repair station certificate issued by the Federal  
 16 Aviation Administration under 14 CFR 145 et seq. or other applicable  
 17 law or regulation.

18           SECTION 11. IC 6-2.5-5-47 IS ADDED TO THE INDIANA CODE  
 19 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
 20 1, 2013]: **Sec. 47. A transaction involving petroleum based fuel is  
 21 exempt from the state gross retail tax if the person acquires the  
 22 fuel for use in powering an aircraft.**

23           SECTION 12. IC 6-2.5-7-5, AS AMENDED BY P.L.98-2012,  
 24 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 25 JULY 1, 2013]: Sec. 5. (a) Each retail merchant who dispenses  
 26 gasoline or special fuel from a metered pump shall, in the manner  
 27 prescribed in IC 6-2.5-6, report to the department the following  
 28 information:

- 29           (1) The total number of gallons of gasoline sold from a metered  
 30 pump during the period covered by the report.
- 31           (2) The total amount of money received from the sale of gasoline  
 32 described in subdivision (1) during the period covered by the  
 33 report.
- 34           (3) That portion of the amount described in subdivision (2) which  
 35 represents state and federal taxes imposed under this article,  
 36 IC 6-6-1.1, or Section 4081 of the Internal Revenue Code.
- 37           (4) The total number of gallons of special fuel sold from a  
 38 metered pump during the period covered by the report.
- 39           (5) The total amount of money received from the sale of special  
 40 fuel during the period covered by the report.
- 41           (6) That portion of the amount described in subdivision (5) that  
 42 represents state and federal taxes imposed under this article,

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1 IC 6-6-2.5, or Section 4041 of the Internal Revenue Code.  
2 ~~(7) The total number of gallons of E85 sold from a metered pump~~  
3 ~~during the period covered by the report:~~

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

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

- 19 (1) the sum of the prepayment amounts made during the
- 20 period covered by the retail merchant's report; minus
- 21 (2) the sum of prepayment amounts collected by the retail
- 22 merchant, in the merchant's capacity as a qualified
- 23 distributor, during the period covered by the retail
- 24 merchant's report.

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

28 SECTION 13. IC 6-2.5-7-6.5 IS ADDED TO THE INDIANA  
29 CODE AS A NEW SECTION TO READ AS FOLLOWS  
30 [EFFECTIVE JULY 1, 2013]: **Sec. 6.5. (a) If the deduction under**  
31 **section 5(c) of this chapter exceeds the amount of gross retail tax**  
32 **required to be remitted under section 5(b) of this chapter, the retail**  
33 **merchant is entitled to a credit. The credit shall be used as follows:**

- 34 (1) First, the credit shall be applied against gross retail and
- 35 use tax liability of the retail merchant that is required to be
- 36 remitted under IC 6-2.5-6.
- 37 (2) Second, any amount remaining shall be applied against the
- 38 gasoline tax liability of the retail merchant, as determined
- 39 under IC 6-6-1.1, excluding any liability for gasoline delivered
- 40 to a taxable marine facility.

41 **A retail merchant may file a claim for a refund instead of taking a**  
42 **credit or for a refund of any excess tax payment remaining after**

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the credits allowed by this section. In addition, a retail merchant may file a claim for a refund under section 12 of this chapter.

(b) A retail merchant that is entitled to a refund under this section must file a claim for the refund on the form approved by the department and must include any supporting documentation reasonably required by the department. If a retail merchant files a completed refund claim form that includes all supporting documentation, the excess tax payment that is not refunded within ninety (90) days accrues interest as provided in IC 6-8.1-9-2.

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

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

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

SECTION 14. IC 6-2.5-7-12, AS AMENDED BY P.L.98-2012, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2013]: Sec. 12. (a) Except as provided in subsection (b), a distributor that prepays the state gross retail tax under this chapter shall separately state the amount of tax prepaid on the invoice the distributor issues to its purchaser or recipient. The purchaser or recipient shall pay to the distributor an amount equal to the prepaid tax.

(b) A distributor that:

- (1) prepays the state gross retail tax under this chapter;
- (2) is a retail merchant; and
- (3) sells gasoline that is exempt from the gross retail tax, as evidenced by a purchaser's exemption certificate issued by the department;

may not require the exempt purchaser to pay the gross retail taxes prepaid in the gasoline sold to the exempt purchaser. A distributor that has prepaid gross retail taxes and has not been reimbursed because the gasoline is sold to an exempt purchaser may file a claim for a refund (in addition to any claim for a refund under section 6.5 of this chapter), if the amount of unreimbursed prepaid gross retail taxes

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1 exceeds five hundred dollars (\$500). A claim for a refund must be on  
2 the form approved by the department and include all supporting  
3 documentation reasonably required by the department. If a distributor  
4 files a completed refund claim form that includes all supporting  
5 documentation, the department shall authorize the auditor of state to  
6 issue a warrant for the refund.

7 SECTION 15. IC 6-4.1-11-6, AS AMENDED BY P.L.157-2012,  
8 SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
9 JULY 1, 2013]: Sec. 6. (a) The department of state revenue shall  
10 collect the Indiana estate tax and the interest charges imposed under  
11 this chapter. The department shall remit the money which it collects  
12 under this chapter to the state treasurer, and the state treasurer shall  
13 deposit the money in the state general fund.

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

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

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

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

32 STEP THREE: Determine the remainder of the STEP TWO  
33 amount minus the amount of inheritance taxes retained by the  
34 county during the immediately preceding state fiscal year.

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

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

42 ~~STEP TWO:~~ **FOUR:** Multiply the amount determined under

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- 1 STEP ~~ONE~~ **THREE** by the appropriate percentage as follows:
- 2 ~~(A)~~ **(A)** ~~Ninety-one percent (91%) for the state fiscal year~~
- 3 ~~beginning July 1, 2012.~~
- 4 ~~(B)~~ **(A)** Eighty-two percent (82%) for the state fiscal year
- 5 beginning July 1, 2013.
- 6 ~~(C)~~ **(B)** Seventy-three percent (73%) for the state fiscal year
- 7 beginning July 1, 2014.
- 8 ~~(D)~~ **(C)** Sixty-four percent (64%) for the state fiscal year
- 9 beginning July 1, 2015.
- 10 ~~(E)~~ **(D)** Fifty-five percent (55%) for the state fiscal year
- 11 beginning July 1, 2016.
- 12 ~~(F)~~ **(E)** Forty-five percent (45%) for the state fiscal year
- 13 beginning July 1, 2017.
- 14 ~~(G)~~ **(F)** Thirty-six percent (36%) for the state fiscal year
- 15 beginning July 1, 2018.
- 16 ~~(H)~~ **(G)** Twenty-seven percent (27%) for the state fiscal year
- 17 beginning July 1, 2019.
- 18 ~~(I)~~ **(H)** Eighteen percent (18%) for the state fiscal year
- 19 beginning July 1, 2020.
- 20 ~~(J)~~ **(I)** Nine percent (9%) for the state fiscal year beginning
- 21 July 1, 2021.

22 ~~(e)~~ **(d)** A county is not entitled to a distribution under subsection (b)

23 for a state fiscal year beginning after June 30, 2022.

24 SECTION 16. IC 8-22-3-24 IS AMENDED TO READ AS

25 FOLLOWS [EFFECTIVE JULY 1, 2013]: Sec. 24. **(a)** The tax levy

26 **under section 23 of this chapter**, as finally approved by the

27 department of local government finance, must be assessed and

28 collected by the county treasurer of the county or counties within which

29 the district is located as other taxes are levied and collected. The

30 county treasurer shall remit all taxes so collected to the treasurer of the

31 authority. **Each year, the board may transfer to the authority's**

32 **cumulative building fund an amount not to exceed five percent**

33 **(5%) of the taxes received under this section in that year.**

34 SECTION 17. IC 20-46-1-10.5, AS ADDED BY P.L.203-2011,

35 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE

36 JULY 1, 2013]: Sec. 10.5. (a) This section applies to taxes first due and

37 payable in 2012 or a subsequent year.

38 (b) The county auditor shall distribute proceeds collected from an

39 allocation area (as defined in IC 6-1.1-21.2-3) that are attributable to

40 property taxes imposed after being approved by the voters in a

41 referendum conducted after April 30, 2010, to the taxing unit for which

42 the referendum was conducted.



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1 (c) The amount to be distributed under subsection (b) shall be  
2 treated as part of the referendum levy for purposes of setting tax rates  
3 for property taxes imposed after being approved by the voters in a  
4 referendum conducted after April 30, 2010.

5 (d) **For a school corporation that conducted a referendum after**  
6 **November 1, 2009, and before May 1, 2010, for distributions after**  
7 **2013, the county auditor shall distribute proceeds collected from an**  
8 **allocation area (as defined in IC 6-1.1-21.2-3) that are attributable**  
9 **to property taxes imposed after being approved by the voters in the**  
10 **referendum, to the school corporation for which the referendum**  
11 **was conducted. The amount to be distributed to the school**  
12 **corporation shall be treated as part of the referendum levy for**  
13 **purposes of setting the school corporation's tax rates.**

14 SECTION 18. IC 36-1.5-3-4, AS ADDED BY P.L.186-2006,  
15 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
16 JULY 1, 2013]: Sec. 4. Subject to this chapter, the department of local  
17 government finance shall adjust the maximum permissible property tax  
18 levies, maximum permissible property tax rates, and budgets of  
19 political subdivisions that enter into a reorganization under this article  
20 as the department of local government finance determines necessary,  
21 **including adjustments**, to do the following:

- 22 (1) Eliminate double taxation by different political subdivisions
- 23 for services or goods provided under this article.
- 24 (2) Eliminate any excess by which the amount of property taxes
- 25 imposed by a political subdivision exceeds the amount necessary
- 26 to pay for services or goods provided under this article.
- 27 (3) Restore taxing powers of a political subdivision after the
- 28 termination of a reorganization under this article that are
- 29 necessary to fund governmental services to the individuals and
- 30 entities served by the political subdivision.
- 31 (4) Restore taxing powers of a political subdivision after the
- 32 withdrawal of a party from a reorganization under this article that
- 33 are necessary to fund governmental services to the individuals
- 34 and entities served by the political subdivision.

35 SECTION 19. IC 36-7-32-11, AS AMENDED BY P.L.113-2010,  
36 SECTION 138, IS AMENDED TO READ AS FOLLOWS  
37 [EFFECTIVE JULY 1, 2013]: Sec. 11. (a) After receipt of an  
38 application under section 10 of this chapter, and subject to subsection  
39 (b), the Indiana economic development corporation may designate a  
40 certified technology park if the corporation determines that the  
41 application demonstrates a firm commitment from at least one (1)  
42 business engaged in a high technology activity creating a significant

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- 1 number of jobs and satisfies one (1) or more of the following additional
- 2 criteria:
- 3 (1) A demonstration of significant support from an institution of
- 4 higher education, a private research based institute, or a military
- 5 research and development or testing facility on an active United
- 6 States government military base or other military installation
- 7 located within, or in the vicinity of, the proposed certified
- 8 technology park, as evidenced by the following criteria:
- 9 (A) Grants of preferences for access to and commercialization
- 10 of intellectual property.
- 11 (B) Access to laboratory and other facilities owned by or under
- 12 the control of the postsecondary educational institution or
- 13 private research based institute.
- 14 (C) Donations of services.
- 15 (D) Access to telecommunications facilities and other
- 16 infrastructure.
- 17 (E) Financial commitments.
- 18 (F) Access to faculty, staff, and students.
- 19 (G) Opportunities for adjunct faculty and other types of staff
- 20 arrangements or affiliations.
- 21 (H) Other criteria considered appropriate by the Indiana
- 22 economic development corporation.
- 23 (2) A demonstration of a significant commitment by the
- 24 postsecondary educational institution, private research based
- 25 institute, or military research and development or testing facility
- 26 on an active United States government military base or other
- 27 military installation to the commercialization of research
- 28 produced at the certified technology park, as evidenced by the
- 29 intellectual property and, if applicable, tenure policies that reward
- 30 faculty and staff for commercialization and collaboration with
- 31 private businesses.
- 32 (3) A demonstration that the proposed certified technology park
- 33 will be developed to take advantage of the unique characteristics
- 34 and specialties offered by the public and private resources
- 35 available in the area in which the proposed certified technology
- 36 park will be located.
- 37 (4) The existence of or proposed development of a business
- 38 incubator within the proposed certified technology park that
- 39 exhibits the following types of resources and organization:
- 40 (A) Significant financial and other types of support from the
- 41 public or private resources in the area in which the proposed
- 42 certified technology park will be located.

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- 1 (B) A business plan exhibiting the economic utilization and  
 2 availability of resources and a likelihood of successful  
 3 development of technologies and research into viable business  
 4 enterprises.
- 5 (C) A commitment to the employment of a qualified full-time  
 6 manager to supervise the development and operation of the  
 7 business incubator.
- 8 (5) The existence of a business plan for the proposed certified  
 9 technology park that identifies its objectives in a clearly focused  
 10 and measurable fashion and that addresses the following matters:
- 11 (A) A commitment to new business formation.
- 12 (B) The clustering of businesses, technology, and research.
- 13 (C) The opportunity for and costs of development of properties  
 14 under common ownership or control.
- 15 (D) The availability of and method proposed for development  
 16 of infrastructure and other improvements, including  
 17 telecommunications technology, necessary for the  
 18 development of the proposed certified technology park.
- 19 (E) Assumptions of costs and revenues related to the  
 20 development of the proposed certified technology park.
- 21 (6) A demonstrable and satisfactory assurance that the proposed  
 22 certified technology park can be developed to principally contain  
 23 property that is primarily used for, or will be primarily used for,  
 24 a high technology activity or a business incubator.
- 25 (b) The Indiana economic development corporation may not  
 26 approve an application that would result in a substantial reduction or  
 27 cessation of operations in another location in Indiana in order to  
 28 relocate them within the certified technology park. **The Indiana**  
 29 **economic development corporation may designate not more than**  
 30 **two (2) new certified technology parks during any state fiscal year.**  
 31 **The designation of a new certified technology park is subject to**  
 32 **review and approval under section 11.5 of this chapter.**
- 33 (c) A certified technology park designated under this section is  
 34 subject to the review of the Indiana economic development corporation  
 35 and must be recertified every four (4) years. The corporation shall  
 36 develop procedures and the criteria to be used in the review required  
 37 by this subsection. A certified technology park shall furnish to the  
 38 corporation the following information to be used in the course of the  
 39 review:
- 40 (1) Total employment and payroll levels for all businesses  
 41 operating within the certified technology park.
- 42 (2) The nature and extent of any technology transfer activity

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1 occurring within the certified technology park.  
 2 (3) The nature and extent of any nontechnology businesses  
 3 operating within the certified technology park.  
 4 (4) The use and outcomes of any state money made available to  
 5 the certified technology park.  
 6 (5) An analysis of the certified technology park's overall  
 7 contribution to the technology based economy in Indiana.  
 8 If a certified technology park is not recertified, the Indiana economic  
 9 development corporation shall send a certified copy of a notice of the  
 10 determination to the county auditor, the department of local  
 11 government finance, and the department of state revenue.  
 12 (d) To the extent allowed under IC 5-14-3, the corporation shall  
 13 maintain the confidentiality of any information that is:  
 14 (1) submitted as part of the review process under subsection (c);  
 15 and  
 16 (2) marked as confidential;  
 17 by the certified technology park.  
 18 SECTION 20. IC 36-7-32-11.5 IS ADDED TO THE INDIANA  
 19 CODE AS A NEW SECTION TO READ AS FOLLOWS  
 20 [EFFECTIVE JULY 1, 2013]: **Sec. 11.5. (a) If the Indiana economic**  
 21 **development corporation desires to designate a certified technology**  
 22 **park under this chapter, the corporation shall submit its proposed**  
 23 **designation to the budget committee for review and**  
 24 **recommendation to the budget agency. The budget committee shall**  
 25 **meet not later than sixty (60) days after receipt of the proposed**  
 26 **designation and shall make a recommendation on the designation**  
 27 **to the budget agency.**  
 28 (b) When considering the proposed designation of a certified  
 29 technology park by the corporation under this section, the budget  
 30 committee and the budget agency must make the following findings  
 31 before approving the designation:  
 32 (1) The area to be designated as a certified technology park  
 33 meets the conditions necessary for the designation as a  
 34 certified technology park.  
 35 (2) The designation of the certified technology park will  
 36 benefit the people of Indiana by protecting or increasing state  
 37 and local tax bases and tax revenues for at least the duration  
 38 of the certified technology park.  
 39 (c) The income tax incremental amount and the gross retail  
 40 incremental amount may not be allocated to the certified  
 41 technology park until the designation of the certified technology  
 42 park is approved under this section.

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1 SECTION 21. [EFFECTIVE UPON PASSAGE] (a) This  
2 SECTION applies to the town of Zionsville in Boone County.

3 (b) The department of local government finance shall increase  
4 the town's maximum permissible ad valorem property tax levy for  
5 2014 by the amount of the actual 2012 property tax levy that was  
6 imposed by the town for the fire equipment replacement fund  
7 within the fire protection territory in which the town was a  
8 participating unit.

9 (c) The town's maximum permissible ad valorem property tax  
10 levy for property taxes first due and payable in 2014, as adjusted  
11 under this SECTION, shall be used in the determination of the  
12 town's maximum permissible ad valorem property tax levy for  
13 property taxes first due and payable in 2014 and thereafter.

14 (d) This SECTION expires July 1, 2016.

15 SECTION 22. [EFFECTIVE UPON PASSAGE] (a) This  
16 SECTION applies to a township that submitted a petition under  
17 P.L.137-2012, SECTION 125 to the department of local  
18 government finance for an increase in the maximum permissible ad  
19 valorem property tax levy under IC 36-8-13 (for township fire  
20 protection and emergency services) for property taxes first due and  
21 payable in 2013.

22 (b) Notwithstanding the effective date of P.L.137-2012,  
23 SECTION 125, the actions of the department of local government  
24 finance as a result of the petition are legalized and validated.

25 (c) This SECTION expires July 1, 2015.

26 SECTION 23. [EFFECTIVE UPON PASSAGE] (a)  
27 IC 6-1.1-20.6-2, as amended by this act, applies only to property  
28 taxes first due and payable after December 31, 2013.

29 (b) This SECTION expires July 1, 2016.

30 SECTION 24. [EFFECTIVE JANUARY 1, 2007  
31 (RETROACTIVE)] (a) This SECTION applies notwithstanding  
32 IC 6-1.1-10, IC 6-1.1-11, or any other law or administrative rule or  
33 provision.

34 (b) This SECTION applies to the March 1, 2007, and March 1,  
35 2008, assessment dates.

36 (c) As used in this SECTION, "eligible property" means the real  
37 property described in subsection (d).

38 (d) As used in this SECTION, "qualified taxpayer" refers to a  
39 church that:

- 40 (1) purchased real property in June 2007;
- 41 (2) has used the real property for church purposes since  
42 purchasing the real property; and

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1 (3) filed a property tax exemption application for the real  
2 property in June 2007.

3 (e) A qualified taxpayer may, before September 1, 2013, file a  
4 property tax exemption application and supporting documents  
5 claiming a property tax exemption under IC 6-1.1-10-16 and this  
6 SECTION for the eligible property for the March 1, 2007, and  
7 March 1, 2008, assessment dates.

8 (f) A property tax exemption application filed under subsection  
9 (e) by a qualified taxpayer is considered to have been timely filed.

10 (g) If a qualified taxpayer demonstrates in the property tax  
11 exemption application filed under subsection (e) or by other means  
12 that the eligible property would have qualified for an exemption  
13 under IC 6-1.1-10-16 for the March 1, 2007, and March 1, 2008,  
14 assessment dates if the property tax exemption application had  
15 been filed under IC 6-1.1-11 in a timely manner for the March 1,  
16 2007, and March 1, 2008, assessment dates and the taxpayer had  
17 owned the real property on May 1, 2007:

18 (1) the property tax exemption for the eligible property shall  
19 be allowed and granted for the March 1, 2007, and March 1,  
20 2008, assessment dates by the county assessor and county  
21 auditor of the county in which the eligible property is located;

22 (2) the qualified taxpayer is not required to pay any property  
23 taxes, penalties, or interest with respect to the eligible  
24 property for the March 1, 2007, and March 1, 2008,  
25 assessment dates; and

26 (3) to the extent the qualified taxpayer has paid any property  
27 taxes, penalties, or interest with respect to the eligible  
28 property for the March 1, 2007, and March 1, 2008,  
29 assessment dates, the eligible taxpayer is entitled to a refund  
30 of the amounts paid.

31 The county auditor may pay the refund in two (2) equal  
32 installments over a two (2) year period.

33 (h) The exemption allowed by this SECTION shall be applied  
34 without need of any further ruling or action by the county assessor,  
35 the county auditor, or the county property tax assessment board of  
36 appeals of the county in which the eligible property is located or by  
37 the Indiana board of tax review.

38 (i) This SECTION expires July 1, 2017.

39 SECTION 25. [EFFECTIVE JANUARY 1, 2011  
40 (RETROACTIVE)] (a) This SECTION applies notwithstanding  
41 IC 6-1.1-10, IC 6-1.1-11, or any other law or administrative rule or  
42 provision.

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- 1           **(b) This SECTION applies to the March 1, 2011, and March 1,**
- 2           **2012, assessment dates.**
- 3           **(c) As used in this SECTION, "eligible property" means the**
- 4           **parcel of real property described in subsection (d)(1) for which the**
- 5           **qualified taxpayer failed to timely file the property tax exemption**
- 6           **application.**
- 7           **(d) As used in this SECTION, "qualified taxpayer" refers to a**
- 8           **nonprofit corporation that:**
  - 9           **(1) owns multiple parcels of real property in Marion County**
  - 10           **that are owned, occupied, and used for educational, literary,**
  - 11           **scientific, religious, or charitable purposes described in**
  - 12           **IC 6-1.1-10-16; and**
  - 13           **(2) failed to timely file a property tax exemption application**
  - 14           **for one (1) of the parcels described in subdivision (1) for the**
  - 15           **March 1, 2011, assessment date.**
- 16           **(e) A qualified taxpayer may, before September 1, 2013, file a**
- 17           **property tax exemption application and supporting documents**
- 18           **claiming a property tax exemption under IC 6-1.1-10-16 and this**
- 19           **SECTION for the eligible property for the March 1, 2011, and**
- 20           **March 1, 2012, assessment dates.**
- 21           **(f) A property tax exemption application filed under subsection**
- 22           **(e) by a qualified taxpayer is considered to have been timely filed.**
- 23           **(g) If a qualified taxpayer demonstrates in the property tax**
- 24           **exemption application filed under subsection (e) or by other means**
- 25           **that the eligible property would have qualified for an exemption**
- 26           **under IC 6-1.1-10-16 for the March 1, 2011, and March 1, 2012,**
- 27           **assessment dates if the property tax exemption application had**
- 28           **been filed under IC 6-1.1-11 in a timely manner for the March 1,**
- 29           **2011, and March 1, 2012, assessment dates:**
  - 30           **(1) the property tax exemption for the eligible property shall**
  - 31           **be allowed and granted for the March 1, 2011, and March 1,**
  - 32           **2012, assessment dates by the county assessor and county**
  - 33           **auditor of Marion County;**
  - 34           **(2) the qualified taxpayer is not required to pay any property**
  - 35           **taxes, penalties, or interest with respect to the eligible**
  - 36           **property for the March 1, 2011, and March 1, 2012,**
  - 37           **assessment dates; and**
  - 38           **(3) to the extent the qualified taxpayer has paid any property**
  - 39           **taxes, penalties, or interest with respect to the eligible**
  - 40           **property for the March 1, 2011, and March 1, 2012,**
  - 41           **assessment dates, the eligible taxpayer is entitled to a refund**
  - 42           **of the amounts paid.**

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1     **The county auditor may pay the refund in two (2) equal**  
2     **installments over a two (2) year period.**

3     **(h) The exemption allowed by this SECTION shall be applied**  
4     **without need of any further ruling or action by the county assessor,**  
5     **the county auditor, or the county property tax assessment board of**  
6     **appeals of Marion County or by the Indiana board of tax review.**

7     **(i) This SECTION expires July 1, 2017.**

8     **SECTION 26. An emergency is declared for this act.**

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## COMMITTEE REPORT

Madam President: The Senate Committee on Tax and Fiscal Policy, to which was referred Senate Bill No. 494, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 6-1.1-10-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2014]: Sec. 2. **(a)** Except as otherwise provided by law, the property owned by this state, a state agency, or the bureau of motor vehicles commission is exempt from property taxation.

**(b) Real property leased to a state agency is exempt from property taxes if the lease requires the state agency to reimburse the owner for property taxes.**

SECTION 2. IC 6-1.1-10-45 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2014]: Sec. 45. **(a) Tangible personal property consisting of a sign that is manufactured for the Indiana department of transportation in order for the department to comply with 23 U.S.C. 131 is exempt from personal property taxation.**

**(b) The owner of personal property that wishes to obtain the exemption provided by this section must file an exemption claim along with the owner's annual personal property tax return. The claim must describe and state the assessed value of the personal property for which an exemption is claimed.**

**(c) The township or county assessor shall:**

**(1) review the exemption claim; and**

**(2) allow or deny the exemption claim in whole or in part.**

**The assessor's action is subject to all the provisions of this article pertaining to notice, review, or appeal of personal property assessments.**

**(d) The township or county assessor shall reduce the assessed value of the owner's personal property for the year for which the exemption is claimed by the amount of exemption allowed.**

SECTION 3. IC 6-1.1-14-12 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2013]: Sec. 12. **(a) As part of the review under IC 6-1.1-33.5-3(4) and IC 6-1.1-33.5-3(5) of the coefficient of dispersion study and property sales assessment ratio study submitted by a county under 50 IAC 27-4-4, the department of local government finance shall**

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conduct the review and analysis described in this section.

**(b) The department shall:**

**(1) conduct its review and analysis for studies submitted in 2013 through 2017; and**

**(2) review and analyze only data and studies for property that is classified as improved residential property in townships having a population of more than one hundred thirty thousand (130,000).**

**(c) The department shall separate each township described in subsection (b) into four (4) comparable groups of parcels as determined by the department. The department shall:**

**(1) separately review and analyze for each group of parcels data used for the coefficient of dispersion study and the property sales assessment ratio study submitted by the county; and**

**(2) prepare a coefficient of dispersion study and a property sales assessment ratio study for each group of parcels."**

Page 5, between lines 33 and 34, begin a new paragraph and insert:  
"SECTION 5. IC 6-1.1-20-12, AS ADDED BY P.L.203-2011, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2013]: Sec. 12. (a) This section applies to taxes first due and payable in 2012 or a subsequent year.

(b) The county auditor shall distribute proceeds collected from an allocation area (as defined in IC 6-1.1-21.2-3) that are attributable to property taxes imposed after being approved by the voters in a referendum conducted after April 30, 2010, to the taxing unit for which the referendum was conducted.

(c) The amount to be distributed under subsection (b) shall be treated as part of the referendum levy for purposes of setting tax rates for property taxes imposed after being approved by the voters in a referendum conducted after April 30, 2010.

**(d) For a school corporation that conducted a referendum after November 1, 2009, and before May 1, 2010, for distributions after 2013, the county auditor shall distribute proceeds collected from an allocation area (as defined in IC 6-1.1-21.2-3) that are attributable to property taxes imposed after being approved by the voters in the referendum, to the school corporation for which the referendum was conducted. The amount to be distributed to the school corporation shall be treated as part of the referendum levy for purposes of setting the school corporation's tax rates."**

Page 5, delete lines 41 through 42, begin a new paragraph and insert:

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"SECTION 6. IC 6-1.1-33.5-3, AS AMENDED BY P.L.182-2009(ss), SECTION 169, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2013]: Sec. 3. The division of data analysis shall:

- (1) conduct continuing studies in the areas in which the department of local government finance operates;
- (2) make periodic field surveys and audits of:
  - (A) tax rolls;
  - (B) plat books;
  - (C) building permits;
  - (D) real estate transfers; and
  - (E) other data that may be useful in checking property valuations or taxpayer returns;
- (3) make test checks of property valuations to serve as the bases for special reassessments under this article;
- (4) conduct ~~biennially~~ **annually** a **review of each** coefficient of dispersion study for each township and county; ~~in Indiana;~~
- (5) conduct ~~quadrennially~~ **annually** a **review of each** sales assessment ratio study for each township and county; ~~in Indiana;~~ and
- (6) report annually to the executive director of the legislative services agency, in an electronic format under IC 5-14-6, the information obtained or determined under this section for use by the executive director and the general assembly, including:
  - (A) all information obtained by the division of data analysis from units of local government; and
  - (B) all information included in:
    - (i) the local government data base; and
    - (ii) any other data compiled by the division of data analysis."

Delete page 6.

Page 7, delete lines 1 through 18.

Page 8, between lines 18 and 19, begin a new paragraph and insert:

"SECTION 7. IC 6-2.5-5-47 IS ADDED TO THE INDIANA CODE AS A **NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2013]: Sec. 47. A transaction involving petroleum based fuel is exempt from the state gross retail tax if the person acquires the fuel for use in powering an aircraft.**"

Page 12, between lines 29 and 30, begin a new paragraph and insert:

"SECTION 13. IC 20-46-1-10.5, AS ADDED BY P.L.203-2011, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2013]: Sec. 10.5. (a) This section applies to taxes first due and



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payable in 2012 or a subsequent year.

(b) The county auditor shall distribute proceeds collected from an allocation area (as defined in IC 6-1.1-21.2-3) that are attributable to property taxes imposed after being approved by the voters in a referendum conducted after April 30, 2010, to the taxing unit for which the referendum was conducted.

(c) The amount to be distributed under subsection (b) shall be treated as part of the referendum levy for purposes of setting tax rates for property taxes imposed after being approved by the voters in a referendum conducted after April 30, 2010.

**(d) For a school corporation that conducted a referendum after November 1, 2009, and before May 1, 2010, for distributions after 2013, the county auditor shall distribute proceeds collected from an allocation area (as defined in IC 6-1.1-21.2-3) that are attributable to property taxes imposed after being approved by the voters in the referendum, to the school corporation for which the referendum was conducted. The amount to be distributed to the school corporation shall be treated as part of the referendum levy for purposes of setting the school corporation's tax rates."**

Page 17, between lines 3 and 4, begin a new paragraph and insert:

"SECTION 19. [EFFECTIVE JANUARY 1, 2007 (RETROACTIVE)] **(a) This SECTION applies notwithstanding IC 6-1.1-10, IC 6-1.1-11, or any other law or administrative rule or provision.**

**(b) This SECTION applies to the March 1, 2007, and March 1, 2008, assessment dates.**

**(c) As used in this SECTION, "eligible property" means the real property described in subsection (d).**

**(d) As used in this SECTION, "qualified taxpayer" refers to a church that:**

- (1) purchased real property in June 2007;**
- (2) has used the real property for church purposes since purchasing the real property; and**
- (3) filed a property tax exemption application for the real property in June 2007.**

**(e) A qualified taxpayer may, before September 1, 2013, file a property tax exemption application and supporting documents claiming a property tax exemption under IC 6-1.1-10-16 and this SECTION for the eligible property for the March 1, 2007, and March 1, 2008, assessment dates.**

**(f) A property tax exemption application filed under subsection (e) by a qualified taxpayer is considered to have been timely filed.**

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**(g) If a qualified taxpayer demonstrates in the property tax exemption application filed under subsection (e) or by other means that the eligible property would have qualified for an exemption under IC 6-1.1-10-16 for the March 1, 2007, and March 1, 2008, assessment dates if the property tax exemption application had been filed under IC 6-1.1-11 in a timely manner for the March 1, 2007, and March 1, 2008, assessment dates and the taxpayer had owned the real property on May 1, 2007:**

- (1) the property tax exemption for the eligible property shall be allowed and granted for the March 1, 2007, and March 1, 2008, assessment dates by the county assessor and county auditor of the county in which the eligible property is located;**
- (2) the qualified taxpayer is not required to pay any property taxes, penalties, or interest with respect to the eligible property for the March 1, 2007, and March 1, 2008, assessment dates; and**
- (3) to the extent the qualified taxpayer has paid any property taxes, penalties, or interest with respect to the eligible property for the March 1, 2007, and March 1, 2008, assessment dates, the eligible taxpayer is entitled to a refund of the amounts paid.**

**The county auditor may pay the refund in two (2) equal installments over a two (2) year period.**

**(h) The exemption allowed by this SECTION shall be applied without need of any further ruling or action by the county assessor, the county auditor, or the county property tax assessment board of appeals of the county in which the eligible property is located or by the Indiana board of tax review.**

**(i) This SECTION expires July 1, 2017.**

**SECTION 20. [EFFECTIVE JANUARY 1, 2011 (RETROACTIVE)] (a) This SECTION applies notwithstanding IC 6-1.1-10, IC 6-1.1-11, or any other law or administrative rule or provision.**

**(b) This SECTION applies to the March 1, 2011, and March 1, 2012, assessment dates.**

**(c) As used in this SECTION, "eligible property" means the parcel of real property described in subsection (d)(1) for which the qualified taxpayer failed to timely file the property tax exemption application.**

**(d) As used in this SECTION, "qualified taxpayer" refers to a nonprofit corporation that:**

- (1) owns multiple parcels of real property in Marion County**

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that are owned, occupied, and used for educational, literary, scientific, religious, or charitable purposes described in IC 6-1.1-10-16; and

(2) failed to timely file a property tax exemption application for one (1) of the parcels described in subdivision (1) for the March 1, 2011, assessment date.

(e) A qualified taxpayer may, before September 1, 2013, file a property tax exemption application and supporting documents claiming a property tax exemption under IC 6-1.1-10-16 and this SECTION for the eligible property for the March 1, 2011, and March 1, 2012, assessment dates.

(f) A property tax exemption application filed under subsection (e) by a qualified taxpayer is considered to have been timely filed.

(g) If a qualified taxpayer demonstrates in the property tax exemption application filed under subsection (e) or by other means that the eligible property would have qualified for an exemption under IC 6-1.1-10-16 for the March 1, 2011, and March 1, 2012, assessment dates if the property tax exemption application had been filed under IC 6-1.1-11 in a timely manner for the March 1, 2011, and March 1, 2012, assessment dates:

(1) the property tax exemption for the eligible property shall be allowed and granted for the March 1, 2011, and March 1, 2012, assessment dates by the county assessor and county auditor of Marion County;

(2) the qualified taxpayer is not required to pay any property taxes, penalties, or interest with respect to the eligible property for the March 1, 2011, and March 1, 2012, assessment dates; and

(3) to the extent the qualified taxpayer has paid any property taxes, penalties, or interest with respect to the eligible property for the March 1, 2011, and March 1, 2012, assessment dates, the eligible taxpayer is entitled to a refund of the amounts paid.

The county auditor may pay the refund in two (2) equal installments over a two (2) year period.

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**(h) The exemption allowed by this SECTION shall be applied without need of any further ruling or action by the county assessor, the county auditor, or the county property tax assessment board of appeals of Marion County or by the Indiana board of tax review.**

**(i) This SECTION expires July 1, 2017."**

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to SB 494 as introduced.)

HERSHMAN, Chairperson

Committee Vote: Yeas 10, Nays 0.

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