

# COMMITTEE REPORT

## MADAM PRESIDENT:

**The Senate Committee on Local Government, to which was referred Senate Bill No. 522, 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:**

- 1           Page 3, line 11, delete "March 1" and insert "**May 1**".
- 2           Page 12, between lines 26 and 27, begin a new paragraph and insert:
- 3           "SECTION 16. IC 6-1.1-4-22, AS AMENDED BY P.L.112-2012,
- 4           SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 5           JULY 1, 2013]: Sec. 22. (a) If any assessing official assesses or
- 6           reassesses any real property under this article (including an annual
- 7           adjustment under section 4.5 of this chapter), the official shall give
- 8           notice to the taxpayer and the county assessor, by mail or by using
- 9           electronic mail that includes a secure Internet link to the information
- 10          in the notice, of the amount of the assessment or reassessment.
- 11          (b) Each township or county assessor shall provide the notice
- 12          required by this section by the earlier of:
- 13               (1) ninety (90) days after the assessor:
- 14                    (A) completes the appraisal of a parcel; or
- 15                    (B) receives a report for a parcel from a professional appraiser
- 16                    or professional appraisal firm; or
- 17               (2) April 10 of the year containing the assessment date for which
- 18               the assessment or reassessment first applies, **if the assessment**
- 19               **date occurs in a year that ends before January 1, 2015, and**
- 20               **February 10 of the year containing the assessment date for**

1           **which the assessment or reassessment first applies, if the**  
 2           **assessment date occurs in a year that begins after December**  
 3           **31, 2014.**

4           (c) The notice required by this section is in addition to any required  
 5           notice of assessment or reassessment included in a property tax  
 6           statement under IC 6-1.1-22 or IC 6-1.1-22.5.

7           (d) The notice required by this section must include notice to the  
 8           person of the opportunity to appeal the assessed valuation under  
 9           IC 6-1.1-15-1.

10          (e) Notice of the opportunity to appeal the assessed valuation  
 11          required under subsection (d) must include the following:

12           (1) The procedure that a taxpayer must follow to appeal the  
 13           assessment or reassessment.

14           (2) The forms that must be filed for an appeal of the assessment  
 15           or reassessment.

16           (3) Notice that an appeal of the assessment or reassessment  
 17           requires evidence relevant to the true tax value of the taxpayer's  
 18           property as of the assessment date."

19          Page 24, line 36, delete "An" and insert "**Except as provided in this**  
 20          **chapter, an**".

21          Page 25, between lines 19 and 20, begin a new paragraph and insert:

22          "**(b) This subsection applies to a deduction application under**  
 23          **any of the following:**

24           **IC 6-1.1-12-20**

25           **IC 6-1.1-12-24**

26           **IC 6-1.1-12.1-5**

27           **IC 6-1.1-12.1-5.3**

28           **IC 6-1.1-42-27.**

29          **If notice of the assessed valuation or new assessment for a year is**  
 30          **not given to the property owner at least thirty (30) days before the**  
 31          **date specified in subsection (a)(2), the deduction application for a**  
 32          **deduction may be filed not later than thirty (30) days after the date**  
 33          **the notice is mailed to the property owner at the address shown on**  
 34          **the records of the township or county assessor."**

35          Page 25, line 20, delete "(b)" and insert "(c)".

36          Page 25, line 24, delete "subsection (a)(1) or (a)(2)" and insert "**this**  
 37          **chapter**".

38          Page 29, between lines 12 and 13, begin a new paragraph and insert:

1       **"Sec. 16. (a) This section applies to an eligible homestead that is**  
 2 **located in a county if the fiscal body (as defined in IC 36-1-2-6) for**  
 3 **the county adopts an ordinance to authorize an eligible homestead**  
 4 **located in the county to receive a standard deduction (and any**  
 5 **other deduction or credit that is available to property that has a**  
 6 **standard deduction) under this section.**

7       **(b) The following definitions apply throughout this section:**

8       **(1) "Eligible homestead" refers to a homestead described in**  
 9 **subsection (c).**

10       **(2) "Homestead" has the meaning set forth in IC 6-1.1-12-37.**

11       **(3) "Standard deduction" refers to a standard deduction**  
 12 **provided under IC 6-1.1-12-37.**

13       **(c) Notwithstanding section 4 of this chapter, a homestead that:**

14       **(1) is not eligible for a standard deduction against the assessed**  
 15 **value of the homestead for an assessment date in a year;**

16       **(2) has a change in ownership after the assessment date in a**  
 17 **year and before January 1 in the immediately succeeding**  
 18 **year; and**

19       **(3) qualifies as a homestead after the change in ownership;**  
 20 **is eligible for a standard deduction (and any other deduction or**  
 21 **credit that applies as a result of being eligible for a standard**  
 22 **deduction) against the assessed value of the homestead for the**  
 23 **assessment date in that year.**

24       **(d) Notwithstanding section 5 of this chapter, to qualify for a**  
 25 **standard deduction under this section, an application for the**  
 26 **standard deduction that complies with this chapter must be filed**  
 27 **with the county auditor before January 6 of the immediately**  
 28 **succeeding calendar year.**

29       **(e) The county auditor shall apply a standard deduction**  
 30 **provided under this section to an eligible homestead in the same**  
 31 **manner as a standard deduction to which sections 4 and 5 of this**  
 32 **chapter apply notwithstanding that another homestead may be**  
 33 **eligible under section 4 of this chapter for a standard deduction**  
 34 **based on the residency of the same individual or individuals."**

35       Page 29, line 13, delete "16." and insert "17."

36       Page 29, line 14, delete "IC 6-1.1.-12.1," and insert "IC 6-1.1-12.1,".

37       Page 31, line 24, strike "do" and insert "does".

38       Page 34, line 20, strike "For assessment dates after 2009,".

- 1 Page 34, line 20, delete "the" and insert "The".
- 2 Page 46, line 2, delete ", if the assessment is made in a year that  
3 ends before" and insert ";".
- 4 Page 46, delete lines 3 through 4.
- 5 Page 46, line 5, delete "begins after December 31, 2014;".
- 6 Page 46, line 15, after "made" insert ";".
- 7 Page 46, delete lines 16 through 18.
- 8 Page 46, line 19, delete "begins after December 31, 2014;".
- 9 Page 46, line 28, delete ", if the assessment is made in" and insert  
10 ";".
- 11 Page 46, delete lines 29 through 31.
- 12 Page 46, line 32, delete "begins after December 31, 2014;".
- 13 Page 71, between lines 37 and 38, begin a new paragraph and insert:  
14 "SECTION 52. IC 6-1.1-36-17, AS ADDED BY P.L.87-2009,  
15 SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
16 JULY 1, 2013]: Sec. 17. (a) As used in this section, "nonreverting  
17 fund" refers to a nonreverting fund established under subsection (c).
- 18 (b) Each county auditor that makes a determination that property  
19 was not eligible for a standard deduction under IC 6-1.1-12-37 or a  
20 homestead credit under IC 6-1.1-20.9 (repealed) in a particular year  
21 shall notify the county treasurer of the determination. The county  
22 auditor shall issue a notice of taxes, interest, and penalties due to the  
23 owner and include a statement that the payment is to be made payable  
24 to the county auditor. The notice must require full payment of the  
25 amount owed within thirty (30) days.
- 26 (c) Each county auditor shall establish a nonreverting fund. Upon  
27 collection of the adjustment in tax due (and any interest and penalties  
28 on that amount) after the termination of a deduction or credit as  
29 specified in subsection (b), the county treasurer shall deposit that  
30 amount in the nonreverting fund. Any part of the amount that is not  
31 collected by the due date shall be placed on the tax duplicate for the  
32 affected property and collected in the same manner as other property  
33 taxes. The adjustment in tax due (and any interest and penalties on that  
34 amount) after the termination of a deduction or credit as specified in  
35 subsection (b) shall be deposited in the nonreverting fund only in the  
36 first year in which that amount is collected.
- 37 (d) The amount to be deposited in the nonreverting fund includes  
38 adjustments in the tax due as a result of the termination of deductions

1 or credits available only for property that satisfies the eligibility for a  
 2 standard deduction under IC 6-1.1-12-37 or a homestead credit under  
 3 IC 6-1.1-20.9 (repealed), including the following:

- 4 (1) Supplemental deductions under IC 6-1.1-12-37.5.
- 5 (2) Homestead credits under IC 6-1.1-20.4, IC 6-3.5-1.1-26,  
 6 IC 6-3.5-6-13, IC 6-3.5-6-32, IC 6-3.5-7-13.1, or IC 6-3.5-7-26,  
 7 or any other law.
- 8 (3) Credit for excessive property taxes under IC 6-1.1-20.6-7.5 or  
 9 IC 6-1.1-20.6-8.5.

10 Any amount paid that exceeds the amount required to be deposited in  
 11 the nonreverting fund shall be distributed as property taxes.

12 (e) Money in the nonreverting fund shall be treated as miscellaneous  
 13 revenue. Distributions shall be made from the nonreverting fund  
 14 established under this section upon appropriation by the county fiscal  
 15 body and shall be made only for the following purposes:

- 16 (1) Fees and other costs incurred by the county auditor to discover  
 17 property that is eligible for a standard deduction under  
 18 IC 6-1.1-12-37 or a homestead credit under IC 6-1.1-20.9  
 19 (repealed).
- 20 (2) Other expenses of the office of the county auditor.
- 21 (3) The cost of preparing, sending, and processing notices  
 22 described in IC 6-1.1-22-8.1(b)(9). ~~and checklists or notices~~  
 23 ~~described in IC 6-1.1-22-5-12(d).~~

24 The amount of deposits in a reverting fund, the balance of a  
 25 nonreverting fund, and expenditures from a reverting fund may not be  
 26 considered in establishing the budget of the office of the county auditor  
 27 or in setting property tax levies that will be used in any part to fund the

- 1 office of the county auditor."
- 2 Page 87, line 33, delete "assure" and insert "**ensure**".
- 3 Renumber all SECTIONS consecutively.  
(Reference is to SB 522 as introduced.)

**and when so amended that said bill do pass.**

Committee Vote: Yeas 10, Nays 0.

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**Head**

**Chairperson**