

**Economic Impact Statement**  
LSA Document #08-750

**IC 4-22-2.1-5 Statement Concerning Rules Affecting Small Businesses**

**Estimated Number of Small Businesses Impacted by this Rule:**

The Department estimates that no small businesses will be impacted by this rule. Pursuant to Indiana Code 6-1.1-12-37(e), the Department must adopt rules or guidelines concerning the application for the homestead standard deduction. Indiana Code 6-1.1-12-37 allows qualified individuals a standard deduction from the assessed value of a homestead. The purpose of this rule is simply to provide uniformity in the application procedures for the homestead standard deduction. The rule itself is "business neutral" in that it should have no direct or indirect effect on business.

**Estimated Average Annual Administrative Costs That Small Businesses Will Incur:**

The Department estimates that no small businesses will incur additional administrative expenses resulting from compliance with this rule because no additional reporting or filing requirements will be added by the rule.

**Estimated Total Annual Economic Impact on Small Businesses:**

The Department estimates that there will be no financial impact on small businesses as a result of this rule. Small businesses will have no responsibilities associated with this rule.

- **Justification:** IC 6-1.1-12-37 requires the Department to adopt rules or guidelines concerning the application for the homestead standard deduction.
- **Supporting Data, Studies, and Analyses:** Because no financial impact is expected as a result of this rule, no supporting data, studies, or analyses were relied upon by the agency in its determination.

**Regulatory Flexibility Analysis of Alternative Methods:**

The exclusive purpose of the rule is to establish application procedures for the homestead standard deduction in accordance with the law, thus the Department did not conduct a regulatory flexibility analysis of alternative methods. Additionally, because no financial impact is expected as a result of compliance with this rule, neither less stringent nor more simplified requirements are necessary for this rule.

• **Supporting Data, Studies, and Analyses:**

The alternative to the rule is to issue guidelines. Guidelines, however, lack the force of law and thus do not promote the uniformity and fairness in the application process provided by the rule. The Department relied upon analysis of the goal of the rulemaking process in making its determination.

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