

**Final Rule**

LSA Document #15-167(F)

DIGEST

Amends [50 IAC 24-3-1](#) concerning applicable laws governing eligibility for the homestead deduction. Amends [50 IAC 24-3-4](#) concerning the carryover of the homestead deduction from one owner to another. Amends [50 IAC 24-3-5](#) concerning limitations on the homestead deduction. Amends [50 IAC 24-4-2](#) concerning the filing date for the homestead deduction. Amends [50 IAC 24-4-3](#) concerning the sales disclosure form as an application for the homestead deduction. Repeals [50 IAC 24-3-6](#) and [50 IAC 24-3-7](#). Effective 30 days after filing with the Publisher.

[50 IAC 24-3-1](#); [50 IAC 24-3-4](#); [50 IAC 24-3-5](#); [50 IAC 24-3-6](#); [50 IAC 24-3-7](#); [50 IAC 24-4-2](#); [50 IAC 24-4-3](#)

SECTION 1. [50 IAC 24-3-1](#) IS AMENDED TO READ AS FOLLOWS:

**[50 IAC 24-3-1](#) Eligibility for the homestead standard deduction**

**Authority:** [IC 6-1.1-12-37](#)

**Affected:** [IC 6-1.1-12-37](#)

Sec. 1. As provided in ~~[IC 6-1.1-12-37](#)~~(b), **Contingent upon eligibility under [IC 6-1.1-12-37](#) and pursuant to all applicable laws**, an individual who in a particular year either owns or is buying a homestead under a contract, recorded in the county recorder's office, that provides that the individual is to pay property taxes, is entitled to a homestead standard deduction from the assessed value of the homestead.

*(Department of Local Government Finance; [50 IAC 24-3-1](#); filed May 12, 2009, 11:24 a.m.: [20090610-IR-050080750FRA](#); filed Apr 21, 2016, 12:40 p.m.: [20160518-IR-050150167FRA](#))*

SECTION 2. [50 IAC 24-3-4](#) IS AMENDED TO READ AS FOLLOWS:

**[50 IAC 24-3-4](#) Applicability of deduction for assessment date**

**Authority:** [IC 6-1.1-12-37](#)

**Affected:** [IC 6-1.1-12-37](#); [IC 6-1.1-12-45](#)

Sec. 4. (a) Subject to subsections (b) and (c), a homestead standard deduction applies for an assessment date and for the property taxes due and payable based on the assessment for that assessment date, regardless of whether:

- (1) the title is conveyed one (1) or more times; or
- (2) one (1) or more contracts to purchase are entered into;

after that assessment date and on or before the next succeeding assessment date.

(b) Subsection (a) applies

~~(1) only if the title holder or the contract buyer on that next succeeding assessment date is eligible for the deduction for that next succeeding assessment date; and~~

~~(2) regardless of whether:~~

~~(A) (1) one (1) or more grantees of title under subsection (a)(1); or~~

~~(B) (2) one (1) or more contract purchasers under subsection (a)(2);~~

**file files** an application under this chapter to claim the deduction.

(c) A homestead standard deduction under subsection (a) applies for only one (1) year. The requirements for filing an application for a homestead standard deduction apply to subsequent years.

(d) If:

(1) an application is filed on or before ~~December 31~~ **January 5** to claim a deduction with respect to real property; and

(2) the eligibility criteria for the deduction are met;

the homestead standard deduction applies for the assessment date in ~~that~~ **the preceding** calendar year and for

the property taxes due and payable based on the assessment for that assessment date.

(e) If:

(1) an application is filed during the twelve (12) months before March 31 of the first year for which the individual wishes to obtain the homestead standard deduction with respect to an annually assessed mobile home or manufactured home; and

(2) the eligibility criteria for the homestead standard deduction are met;

the deduction applies for the assessment date in that twelve (12) month period and for the property taxes due and payable based on the assessment for that assessment date.

~~(f) Subsections (a) through (e) notwithstanding, only (1) individual may receive a deduction for a particular homestead in a particular year.~~

*(Department of Local Government Finance; [50 IAC 24-3-4](#); filed May 12, 2009, 11:24 a.m.: [20090610-IR-050080750FRA](#); filed Apr 21, 2016, 12:40 p.m.: [20160518-IR-050150167FRA](#))*

SECTION 3. [50 IAC 24-3-5](#) IS AMENDED TO READ AS FOLLOWS:

**[50 IAC 24-3-5](#) Limitation on homestead standard deduction**

**Authority:** [IC 6-1.1-12-37](#); [IC 6-1.1-12-40.5](#)

**Affected:** [IC 6-1.1-12-37](#)

~~Sec. 5. (a) The county auditor may not grant an individual or married couple a homestead standard deduction if:~~

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

~~(2) the applications claim the deduction for different properties.~~

~~(b) An individual who has sold real property, an annually assessed mobile home, or an annually assessed manufactured home to another under a contract that provides that the contract buyer is to pay the property taxes on the real property, mobile home, or manufactured home may not claim the deduction with respect to that real property, mobile home, or manufactured home.~~

~~(c) With respect to a personal property mobile home and up to one (1) acre of the land surrounding the mobile home owned by an individual, the overall sum of the deduction is limited to sixty percent (60%) of the combined assessed value of the homestead, that is, mobile home and qualified land. The county auditor shall allocate the deduction as follows:~~

~~(1) A maximum of fifty percent (50%) of the assessed value of the personal property mobile home.~~

~~(2) The remainder of the deduction shall be applied to the assessed value of the qualified land.~~

~~(3) The deduction shall be applied to the personal property mobile home and qualified land before all other deductions.~~

*(Department of Local Government Finance; [50 IAC 24-3-5](#); filed May 12, 2009, 11:24 a.m.: [20090610-IR-050080750FRA](#); filed Apr 21, 2016, 12:40 p.m.: [20160518-IR-050150167FRA](#))*

SECTION 4. [50 IAC 24-4-2](#) IS AMENDED TO READ AS FOLLOWS:

**[50 IAC 24-4-2](#) Application using department of local government finance Form HC10**

**Authority:** [IC 6-1.1-12-37](#)

**Affected:** [IC 6-1.1-12-37](#)

Sec. 2. (a) An individual who is qualified and desires to obtain the homestead standard deduction and has not applied using the sales disclosure form (State Form 46021) must complete the department of local government finance Form HC10 (State Form 54730) Claim for Homestead Property Tax Credit/Standard Deduction.

~~(b) The form must be certified and filed in duplicate at the county auditor's office in the county where the~~

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homestead is located during the calendar year for which the individual desires to obtain the homestead standard deduction. **With respect to real property, the statement must be completed and dated in the calendar year for which the individual desires to obtain the deduction and filed with the county auditor on or before January 5 of the immediately succeeding calendar year. With respect to a mobile home that is not assessed as real property, the individual must file the statement during the twelve (12) months before March 31 of the year for which the individual desires to obtain the deduction.**

(c) If an individual desires to have the receipt returned by mail, the individual must provide the auditor with a self-addressed, stamped envelope.

(Department of Local Government Finance; [50 IAC 24-4-2](#); filed May 12, 2009, 11:24 a.m.: [20090610-IR-050080750FRA](#); filed Apr 21, 2016, 12:40 p.m.: [20160518-IR-050150167FRA](#))

SECTION 5. [50 IAC 24-4-3](#) IS AMENDED TO READ AS FOLLOWS:

**[50 IAC 24-4-3](#) Application using sales disclosure form**

**Authority:** [IC 6-1.1-12-37](#)

**Affected:** [IC 6-1.1-12-37](#)

Sec. 3. (a) An individual who is qualified and desires to obtain the homestead standard deduction, and is otherwise required to complete a sales disclosure form (State Form 46021), may use the sales disclosure form (State Form 46021) as an application for the homestead standard deduction by completing **Part 4-F, Buyer(s)/Grantee(s) Application for Deductions and Credits. the applicable portion of the sales disclosure form (State Form 46021).**

(b) The individual must provide full name, address, telephone number, and e-mail, as applicable. If there are two (2) or more individuals involved in the transaction, additional ownership information must be included in an attachment to the form.

(c) (b) The individual must indicate whether the property will be used as a primary residence.

(d) (c) The individual must sign certifying that the form is true and correct and complete as required by law.

(e) (d) A sales disclosure form that is submitted as a paper form or electronically on or before December 31 of a calendar year to the county assessor by or on behalf of the purchaser of a homestead assessed as real property:

- (1) that is accurate and complete;
- (2) that is approved by the county assessor as eligible for filing with the county auditor; and
- (3) that is filed as a paper form or electronically;

with the county auditor by or on behalf of the purchaser, constitutes an application for the deduction with respect to property taxes first due and payable in the calendar year that immediately succeeds the calendar year when the application was filed with the county assessor.

(f) (e) Except as provided in subsection (g), (f), if:

- (1) the county auditor receives a sales disclosure form that meets the requirements of subsection (e); (d); and
- (2) the homestead for which the sales disclosure form is submitted is otherwise eligible for a deduction referred to in subsection (a);

the county auditor must apply the deduction to the homestead for property taxes first due and payable in the calendar year for which the homestead qualifies under subsection (a) and in any later year in which the homestead remains eligible for the deduction.

(g) (f) Subsection (f) (e) does not apply if the county auditor, after receiving a sales disclosure form, determines the homestead is ineligible for the deduction.

(Department of Local Government Finance; [50 IAC 24-4-3](#); filed May 12, 2009, 11:24 a.m.: [20090610-IR-050080750FRA](#); filed Apr 21, 2016, 12:40 p.m.: [20160518-IR-050150167FRA](#))

SECTION 6. THE FOLLOWING ARE REPEALED: [50 IAC 24-3-6](#); [50 IAC 24-3-7](#).

*LSA Document #15-167(F)*

*Notice of Intent:* [20150610-IR-050150167NIA](#)

*Proposed Rule:* [20151223-IR-050150167PRA](#)

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