

ARTICLE 24. STANDARD DEDUCTION FOR HOMESTEADS

Rule 1. General Provisions

50 IAC 24-1-1 Purpose

Authority: IC 6-1.1-12-37

Affected: IC 6-1.1-12-37

Sec. 1. The purpose of this article is to establish procedures to govern the application for the homestead standard deduction established under IC 6-1.1-12-37. (*Department of Local Government Finance; 50 IAC 24-1-1; filed May 12, 2009, 11:24 a.m.: 20090610-IR-050080750FRA*)

50 IAC 24-1-2 Applicability

Authority: IC 6-1.1-12-37

Affected: IC 6-1.1-12-37

Sec. 2. This article applies to taxpayers applying for the homestead standard deduction. (*Department of Local Government Finance; 50 IAC 24-1-2; filed May 12, 2009, 11:24 a.m.: 20090610-IR-050080750FRA*)

Rule 2. Definitions

50 IAC 24-2-1 Applicability

Authority: IC 6-1.1-12-37

Affected: IC 6-1.1-12-37

Sec. 1. The definitions in this rule apply throughout this article. (*Department of Local Government Finance; 50 IAC 24-2-1; filed May 12, 2009, 11:24 a.m.: 20090610-IR-050080750FRA*)

50 IAC 24-2-2 "Dwelling" defined

Authority: IC 6-1.1-12-37

Affected: IC 6-1.1-12-37

Sec. 2. "Dwelling" has the meaning set forth in IC 6-1.1-12-37(a)(1). (*Department of Local Government Finance; 50 IAC 24-2-2; filed May 12, 2009, 11:24 a.m.: 20090610-IR-050080750FRA*)

50 IAC 24-2-3 "Homestead" defined

Authority: IC 6-1.1-12-37

Affected: IC 6-1.1-12-37

Sec. 3. "Homestead" has the meaning set forth in IC 6-1.1-12-37(a)(2). (*Department of Local Government Finance; 50 IAC 24-2-3; filed May 12, 2009, 11:24 a.m.: 20090610-IR-050080750FRA*)

50 IAC 24-2-4 "Individual" defined

Authority: IC 6-1.1-12-37

Affected: IC 6-1.1-12-37

Sec. 4. "Individual" means a human being. (*Department of Local Government Finance; 50 IAC 24-2-4; filed May 12, 2009, 11:24 a.m.: 20090610-IR-050080750FRA*)

50 IAC 24-2-5 "Principal place of residence" defined

Authority: IC 6-1.1-12-37

Affected: IC 6-1.1-12-37

Sec. 5. "Principal place of residence" means an individual's true, fixed, permanent home to which the individual has the intention of returning after an absence. (*Department of Local Government Finance; 50 IAC 24-2-5; filed May 12, 2009, 11:24 a.m.: 20090610-IR-050080750FRA*)

Rule 3. Eligibility

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. 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*)

50 IAC 24-3-2 Determination of principal place of residence (Voided)

Sec. 2. (*Voided by P.L.137-2012, SECTION 133, effective July 1, 2012.*).

50 IAC 24-3-3 Date of ownership of homestead

Authority: IC 6-1.1-12-37

Affected: IC 6-1.1-12-37

Sec. 3. The individual must own the homestead real property, mobile home, or manufactured home, or purchasing the real property, mobile home, or manufactured home under contract that requires the buyer to pay the property taxes on the date the application, or sales disclosure form serving as the application, is filed. (*Department of Local Government Finance; 50 IAC 24-3-3; filed May 12, 2009, 11:24 a.m.: 20090610-IR-050080750FRA*)

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 regardless of whether:

- (1) one (1) or more grantees of title under subsection (a)(1); or
- (2) one (1) or more contract purchasers under subsection (a)(2);

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:

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- (1) an application is filed on or before 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 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. (*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*)

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. 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*)

50 IAC 24-3-6 Removal of joint owner (Repealed)

Sec. 6. (*Repealed by Department of Local Government Finance; filed Apr 21, 2016, 12:40 p.m.: 20160518-IR-050150167FRA*)

50 IAC 24-3-7 Change of use (Repealed)

Sec. 7. (*Repealed by Department of Local Government Finance; filed Apr 21, 2016, 12:40 p.m.: 20160518-IR-050150167FRA*)

Rule 4. Application for the Homestead Standard Deduction

50 IAC 24-4-1 Application options

Authority: IC 6-1.1-12-37

Affected: IC 6-1.1-12-37

Sec. 1. If an individual is otherwise required to complete a sales disclosure form (State Form 46021), the sales disclosure form may serve as an application for the homestead standard deduction, or an individual may apply for the deduction by completing department of local government finance Form HC10 (State Form 5473). (*Department of Local Government Finance; 50 IAC 24-4-1; filed May 12, 2009, 11:24 a.m.: 20090610-IR-050080750FRA*)

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

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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) 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*)

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 the applicable portion of the sales disclosure form (State Form 46021).

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

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

(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.

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

(1) the county auditor receives a sales disclosure form that meets the requirements of subsection (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.

(f) Subsection (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*)

Rule 5. Auditor's Duties

50 IAC 24-5-1 Transmittal of form

Authority: IC 6-1.1-12-37

Affected: IC 6-1.1-12-37

Sec. 1. (a) The auditor of a county with whom an application for the standard deduction has been filed must immediately transmit a copy of the application to the auditor of any other county if the individual claims the homestead standard deduction or files an application and owns or is buying real property in the other county.

(b) The auditor of the other county referred to in subsection (a) must note on the application whether the individual has claimed the homestead standard deduction for the current year for a homestead located in that county and return the application

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to the auditor who sent the application. (*Department of Local Government Finance; 50 IAC 24-5-1; filed May 12, 2009, 11:24 a.m.: 20090610-IR-050080750FRA*)

50 IAC 24-5-2 Alphabetical file of applications

Authority: IC 6-1.1-12-37

Affected: IC 6-1.1-12-37

Sec. 2. (a) Each year the county auditor must place a copy of each homestead standard deduction application filed on the sales disclosure form (State Form 46021) or the Form HC10 (State Form 54730) in alphabetical order by townships and, without regard to townships, place the applications for the entire county in alphabetical order.

(b) The county auditor must ascertain from the alphabetical files whether an individual or married couple, for the same year, claims the homestead standard deduction on two (2) or more different applications for different properties.

(c) The county assessor shall retain the original sales disclosure form that serves as an application for the homestead standard deduction for five (5) years. (*Department of Local Government Finance; 50 IAC 24-5-2; filed May 12, 2009, 11:24 a.m.: 20090610-IR-050080750FRA*)

50 IAC 24-5-3 Certification of county deductions

Authority: IC 6-1.1-12-37

Affected: IC 6-1.1-12-37

Sec. 3. Before April 1 of each year prior to the year in which the homestead standard deduction is allowed, each county auditor must certify to the department of local government finance the amount of the assessed valuation that qualifies for the homestead standard deduction. Before February 1 of each year, each county auditor must certify to the department of local government finance the amount of homestead standard deduction allowed in that county for that calendar year. (*Department of Local Government Finance; 50 IAC 24-5-3; filed May 12, 2009, 11:24 a.m.: 20090610-IR-050080750FRA*)

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