

STATE OF INDIANA

DEPARTMENT OF LOCAL GOVERNMENT FINANCE



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TO: County Assessors and Vendors
FROM: Barry Wood, Assessment Division Director
RE: 2023 Solar Land Base Rates
DATE: December 5, 2022

On April 29, 2021, Governor Eric J. Holcomb signed into law House Enrolled Act 1348-2021 (“HEA 1348”). Section 1 of HEA 1348, effective January 1, 2022, amends Ind. Code § 6-1.1-8-2 by updating and adding definitions used in Ind. Code § 6-1.1-8, which provides how property owned or used by a public utility company shall be taxed.

Section 1 of HEA 1348 states that the term “light, heat, or power company” now includes a utility-grade solar energy installation facility. The term “solar land base rate” means the solar land base rates determined under Ind. Code § 6-1.1-8-24. The term “utility-grade solar energy installation facility” means a renewable utility-grade solar electricity facility that is used for the purposes of generating solar electricity for resale to consumers. Section 1 of HEA 1348 also provides definitions for the terms “north region,” “central region,” and “south region” – dividing the 92 counties into one of these three (3) regions as shown below:



North District

Adams, Allen, Benton, Blackford, Carroll, Cass, DeKalb, Elkhart, Fulton, Grant, Howard, Huntington, Jasper, Jay, Kosciusko, LaGrange, Lake, LaPorte, Marshall, Miami, Newton, Noble, Porter, Pulaski, St. Joseph, Starke, Steuben, Wabash, Wells, White, Whitley

Central District

Boone, Clay, Clinton, Delaware, Fayette, Fountain, Franklin, Hamilton, Hancock, Hendricks, Henry, Johnson, Madison, Marion, Montgomery, Morgan, Owen, Parke, Putnam, Randolph, Rush, Shelby, Tippecanoe, Tipton, Union, Vermillion, Vigo, Warren, Wayne

South District

Bartholomew, Brown, Clark, Crawford, Daviess, Dearborn, Decatur, Dubois, Floyd, Gibson, Greene, Harrison, Jackson, Jefferson, Jennings, Knox, Lawrence, Martin, Monroe, Ohio, Orange, Perry, Pike, Posey, Ripley, Scott, Spencer, Sullivan, Switzerland, Vanderburgh, Warrick, Washington

Section 2 of HEA 1348, effective upon passage, amends Ind. Code § 6-1.1-8-24 by providing new guidelines for the assessment of the land underneath the fixed property of a utility-grade solar energy installation facility. The provisions state that the township or county assessors will determine the assessed value of the land underneath the fixed property of a utility-grade solar energy installation facility at an amount that does not exceed the solar land base rate for the region in which the property is located. The solar land base rates¹ for each region will serve as the assessment cap, unless the facility was in existence and assessed on the January 1, 2021, assessment date. Assessing officials are still instructed to follow the normal guidelines and procedures as applicable under Ind. Code § 6-1.1-20.6.

Section 2 of HEA 1348 specifies that the amendment to Ind. Code § 6-1.1-8-24 applies to a utility-grade solar energy installation facility:

- (1) that had the land portion of its fixed property assessed and valued on January 1, 2021, property taxes first due and payable in 2022; and
- (2) for assessment dates after December 31, 2021, but only until the next planned reassessment of the property during the county's four (4) year reassessment cycle.

Section 2 of HEA 1348 carves out a limited exception for a utility-grade solar energy installation facility that had the land underneath the fixed property assessed and valued on the January 1, 2021, assessment date. For these facilities with assessments that have been set for the January 1, 2021, assessment date, the assessed value cannot be changed until the next cyclical reassessment if the assessed value of the facility is less than the solar base rate.

Section 3 of HEA 1348, effective upon passage, adds Ind. Code § 6-1.1-8-24.5 and provides that the Department of Local Government Finance (“Department”) will determine and release the solar land base rates for the north, central, and south regions of the State. In calculating the base rate, the Department will determine the median true tax value (“TTV”) per acre of land in the region classified under the utility property class codes of the Department for the immediately preceding year.

The following 2022 median solar land base rates² will apply to the January 1, 2023, assessment date:

North – Utility (800 Property Class Codes)

	2020	2021	2022
Median	\$11,830	\$12,870	\$13,000

Central – Utility (800 Property Class Codes)

	2020	2021	2022
Median	\$13,070	\$13,000	\$13,000

South – Utility (800 Property Class Codes)

	2020	2021	2022
Median	\$5,120	\$5,250	\$5,400

¹ The land base rate will apply to the land underneath a solar panel, as well as the land in between and immediately surrounding the solar panels.

² The “2022” column for each region represents the land base rate (rounded to the nearest \$10) for the January 1, 2023, assessment date. The median values for 2020 and 2021 have been provided as additional historical data.

800 Property Class Codes

800	Locally Assessed Vacant Utility Land – Commercial	841	State Assessed Operating Property Owned by Railroad Co.
805	Locally Assessed Vacant Utility Land – Industrial	845	Locally Assessed Property Owned by Railroad Co. – Industrial
810	Locally Assessed Property Owned by Bus Co. – Commercial	850	Locally Assessed Property Owned by a Sewage Co. – Commercial
811	State Assessed Property Owned by a Bus Co.	851	State Assessed Property Owned by a Sewage Co. – Part of Any Right-of-Way of Collection System
815	Locally Assessed Property Owned by a Bus Co. – Industrial	855	Locally Assessed Property Owned by a Sewage Co. – Industrial
820	Locally Assessed Property Owned by Light, Heat, or Power Co. – Commercial	860	Locally Assessed Property Owned by Telephone, Telegraph, or Cable Co. – Commercial
821	State Assessed Property Owned by Light, Heat, or Power Co. – Part of Any Right-of-Way	861	State Assessed Property Owned by Telephone, Telegraph, or Cable Co. – Part of Any Right-of-Way of the Distribution System
825	Locally Assessed Property Owned by a Light, Heat, or Power Co. – Industrial	865	Locally Assessed Property Owned by Telephone, Telegraph, or Cable Co. – Industrial
830	Locally Assessed Property Owned by a Pipeline Co. – Commercial	870	Locally Assessed Property Owned by Water Distribution Co. – Commercial
831	State Assessed Property Owned by a Pipeline Co. – Part of Any Right-of-Way of the Distribution System	871	State Assessed Property Owned by Water Distribution Co. – Part of Any Right-of-Way
835	Locally Assessed Property Owned by Pipeline Co. – Industrial	875	Locally Assessed Property Owned by Water Distribution Co. – Industrial
840	Locally Assessed Property Owned by Railroad Co. – Commercial		

Finally, assessing officials should use Land Type Code “84” (LAND UNDERNEATH THE FIXED PROPERTY OF A UTILITY GRADE SOLAR ENERGY INSTALLATION FACILITY) as the Land Type Code to code any applicable land records in their CAMA system, starting with the 2023 Pay 2024 data.

Questions or comments may be directed to Assessment Division Director Barry Wood at (317) 232-2762 or Bwood@dlgf.in.gov.