
HOUSE BILL No. 1206

DIGEST OF INTRODUCED BILL

Citations Affected: IC 6-1.1-10-16.7; IC 36-1-8-14; IC 36-3-2-11.

Synopsis: PILOTS dedicated to low income housing trust fund. Establishes a property tax exemption for real property that was constructed, rehabilitated, or acquired to provide housing to income eligible persons under the federal low income housing tax credit program. Permits the governing body of a political subdivision to enter into agreements concerning payments in lieu of taxes for the same real property, and provides that the payments are to be deposited in the housing trust fund.

Effective: July 1, 2001; January 1, 2002.

Crawford

January 9, 2001, read first time and referred to Committee on Human Affairs.

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First Regular Session 112th General Assembly (2001)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2000 General Assembly.

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HOUSE BILL No. 1206



A BILL FOR AN ACT to amend the Indiana Code concerning local government.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 6-1.1-10-16.7, AS ADDED BY P.L.19-2000,
2 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JANUARY 1, 2002]: Sec. 16.7. Real property is exempt from property
4 taxation if:

- 5 ~~(1)~~ **(1)** the real property is located within a county containing a
6 consolidated city;
- 7 ~~(2)~~ **(1)** the real property is owned by an Indiana corporation;
- 8 ~~(3)~~ **(2)** the improvements on the real property were constructed,
9 rehabilitated, or acquired for the purpose of providing housing to
10 income eligible persons under the federal low income housing tax
11 credit program under 26 U.S.C. 42;
- 12 ~~(4)~~ **(3)** the real property is subject to an extended use agreement
13 under 26 U.S.C. 42 as administered by the Indiana housing
14 finance authority; and
- 15 ~~(5)~~ **(4)** the owner of the property has entered into an agreement to
16 make payments in lieu of taxes under IC 36-3-2-11.

17 SECTION 2. IC 36-1-8-14 IS ADDED TO THE INDIANA CODE



1 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE
2 JANUARY 1, 2002]: Sec. 14. (a) As used in this section, the
3 following terms have the meanings set forth in IC 6-1.1-1:

4 (1) Assessed value.

5 (2) Exemption.

6 (3) Owner.

7 (4) Person.

8 (5) Property taxation.

9 (6) Real property.

10 (7) Township assessor.

11 (b) As used in this section, "PILOTS" means payments in lieu
12 of taxes.

13 (c) As used in this section, "property owner" means the owner
14 of real property described in IC 6-1.1-10-16.7.

15 (d) Subject to the approval of a property owner, the governing
16 body of a political subdivision may adopt an ordinance to require
17 the property owner to pay PILOTS at times set forth in the
18 ordinance with respect to real property that is subject to an
19 exemption under IC 6-1.1-10-16.7. The ordinance remains in full
20 force and effect until repealed or modified by the governing body,
21 subject to the approval of the property owner.

22 (e) The PILOTS must be calculated so that the PILOTS are in
23 an amount equal to the amount of property taxes that would have
24 been levied by the governing body for the political subdivision
25 upon the real property described in subsection (d) if the property
26 were not subject to an exemption from property taxation.

27 (f) PILOTS shall be imposed as are property taxes and shall be
28 based on the assessed value of the real property described in
29 subsection (d). The township assessors shall assess the real
30 property described in subsection (d) as though the property were
31 not subject to an exemption.

32 (g) PILOTS collected under this section shall be deposited in the
33 low income housing trust fund established under IC 5-20-4 and
34 used for any purpose for which the low income housing trust fund
35 may be used.

36 (h) PILOTS shall be due as set forth in the ordinance and bear
37 interest, if unpaid, as in the case of other taxes on property.
38 PILOTS shall be treated in the same manner as taxes for purposes
39 of all procedural and substantive provisions of law.

40 (i) This section does not apply to a county that contains a
41 consolidated city or to a political subdivision of the county.

42 SECTION 3. IC 36-3-2-11, AS ADDED BY P.L.19-2000,

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1 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
2 JULY 1, 2001]: Sec. 11. (a) As used in this section, the following terms
3 have the meanings set forth in IC 6-1.1-1:

- 4 (1) Assessed value.
5 (2) Exemption.
6 (3) Owner.
7 (4) Person.
8 (5) Property taxation.
9 (6) Real property.
10 (7) Township assessor.

11 (b) As used in this section, "PILOTS" means payments in lieu of
12 taxes.

13 (c) As used in this section, "property owner" means the owner of
14 real property described in IC 6-1.1-10-16.7 **that is located in a county**
15 **with a consolidated city.**

16 (d) Subject to the approval of a property owner, the legislative body
17 of the consolidated city may adopt an ordinance to require the property
18 owner to pay PILOTS at times set forth in the ordinance with respect
19 to real property that is subject to an exemption under IC 6-1.1-10-16.7.
20 The ordinance remains in full force and effect until repealed or
21 modified by the legislative body, subject to the approval of the property
22 owner.

23 (e) The PILOTS must be calculated so that the PILOTS are in an
24 amount equal to the amount of property taxes that would have been
25 levied by the legislative body for the consolidated city and county upon
26 the real property described in subsection (d) if the property were not
27 subject to an exemption from property taxation.

28 (f) PILOTS shall be imposed as are property taxes and shall be
29 based on the assessed value of the real property described in subsection
30 (d). The township assessors shall assess the real property described in
31 subsection (d) as though the property were not subject to an exemption.

32 (g) PILOTS collected under this section shall be deposited in the
33 housing trust fund established under IC 36-7-15.1-35.5 and used for
34 any purpose for which the housing trust fund may be used.

35 (h) PILOTS shall be due as set forth in the ordinance and bear
36 interest, if unpaid, as in the case of other taxes on property. PILOTS
37 shall be treated in the same manner as taxes for purposes of all
38 procedural and substantive provisions of law.

39 SECTION 4. [EFFECTIVE JANUARY 1, 2002] **IC 6-1.1-10-16.7,**
40 **as amended by this act, applies to property taxes first due and**
41 **payable after December 31, 2001.**

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