
HOUSE BILL No. 1559

DIGEST OF INTRODUCED BILL

Citations Affected: IC 6-1.1-6.9.

Synopsis: Property tax assessment of certain farmland. Adds a provision to allow a person to apply to the township assessor for the assessment of farmland referred to as a farmland preservation parcel at \$1 per acre if the parcel contains at least ten acres, does not contain a dwelling or another usable building, and is assessed as agricultural land. Requires payment to the county of the property tax benefit received over a period of up to ten years if the land is withdrawn from the farmland preservation parcel classification.

Effective: Upon passage; January 1, 2001 (retroactive).

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January 11, 2001, read first time and referred to Committee on Ways and Means.

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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. 1559



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

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

- 1 SECTION 1. IC 6-1.1-6.9 IS ADDED TO THE INDIANA CODE
- 2 AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE
- 3 JANUARY 1, 2001 (RETROACTIVE)]:
- 4 **Chapter 6.9. Assessment of Farmland Preservation Parcels**
- 5 **Sec. 1. As used in this chapter, "farmland preservation parcel"**
- 6 **refers to a parcel of land used for agricultural purposes.**
- 7 **Sec. 2. For the purpose of property taxation, certain parcels of**
- 8 **land may be classified as farmland preservation parcels and**
- 9 **assessed as provided in this chapter.**
- 10 **Sec. 3. A parcel of land may be classified as a farmland**
- 11 **preservation parcel if the parcel of land meets all of the following**
- 12 **requirements:**
- 13 **(1) The parcel of land contains at least ten (10) acres.**
- 14 **(2) The parcel of land does not contain a dwelling or another**
- 15 **usable building.**
- 16 **(3) The parcel of land is assessed as agricultural land under**
- 17 **IC 6-1.1-4-13.**



1 **Sec. 4. (a) A person who wishes to have a parcel of land**
2 **classified as a farmland preservation parcel must file an**
3 **application with the township assessor on forms prescribed by the**
4 **state board of tax commissioners.**

5 **(b) A deduction application filed under subsection (a) is**
6 **applicable for the assessment date of the year for which the**
7 **application is filed and for the assessment dates of subsequent**
8 **years until the parcel of land is withdrawn from the farmland**
9 **preservation parcel classification.**

10 **(c) If an error or omission affecting the eligibility of the**
11 **application is discovered by the township assessor, the township**
12 **assessor shall promptly notify the applicant of the deficiency and**
13 **allow the applicant to amend the application.**

14 **Sec. 5. If in the opinion of the township assessor an application**
15 **filed under section 4 of this chapter and the land for which**
16 **classification is requested comply with this chapter, the township**
17 **assessor shall approve the application. In addition, the township**
18 **assessor shall notify the auditor and the assessor of the county in**
19 **which the land is located that the application has been approved.**
20 **The township assessor shall return one (1) approved application**
21 **form to the applicant.**

22 **Sec. 6. If an application filed under section 4 of this chapter is**
23 **approved, the applicant shall record the approved application in**
24 **the applicant's name. If the applicant is a partnership, a**
25 **corporation, a limited liability company, or an association, the**
26 **applicant shall record the approved application in the name of the**
27 **partnership, corporation, limited liability company, or association.**
28 **When an approved application is properly recorded, the county**
29 **auditor shall enter the land for taxation at an assessed value**
30 **determined under section 7 of this chapter.**

31 **Sec. 7. Land that is classified under this chapter as a farmland**
32 **preservation parcel shall be assessed at one dollar (\$1) per acre for**
33 **general property taxation purposes. However, ditch assessments on**
34 **the classified land shall be paid.**

35 **Sec. 8. If any oil, gas, stone, coal, or other mineral is obtained**
36 **from land that is classified as a farmland preservation parcel, the**
37 **parcel shall immediately be assessed for the oil, gas, stone, coal, or**
38 **other mineral wealth. The assessed value of the mineral wealth**
39 **shall then be placed on the tax duplicate.**

40 **Sec. 9. The owner of a parcel of land that is classified as a**
41 **farmland preservation parcel is encouraged to mark the parcel**
42 **with at least four (4) signs. The owner shall place the signs on the**

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1 boundaries of the parcel at the points that are the most
2 conspicuous to the public.

3 **Sec. 10.** If the owner of land that is classified as a farmland
4 preservation parcel wishes to have the land withdrawn from the
5 classification, the owner shall file a withdrawal request in duplicate
6 with the township assessor on forms prescribed by the state board
7 of tax commissioners. The township assessor shall withdraw the
8 land from the classification on receipt of the withdrawal forms.

9 **Sec. 11.** The township assessor shall withdraw land that is
10 classified as a farmland preservation parcel from the classification
11 if the township assessor finds that the land is no longer used for
12 agricultural purposes. If the township assessor withdraws land
13 under this section, the township assessor shall immediately notify
14 the owner that the land has been withdrawn from the classification.

15 **Sec. 12.** If land classified as a farmland preservation parcel is
16 withdrawn from the classification, the township assessor shall
17 immediately notify the recorder, the assessor, and the auditor of
18 the county in which the land is situated that the land has been
19 withdrawn. In addition, when land is withdrawn, the owner of the
20 land shall make a notation of the withdrawal in the records of the
21 county recorder.

22 **Sec. 13. (a)** If land that is classified as a farmland preservation
23 parcel is withdrawn from the classification, the owner shall pay an
24 amount equal to the sum of:

25 (1) the total property taxes that, if it were not for the
26 classification, would have been assessed on the land during the
27 lesser of the period of classification or the ten (10) year period
28 immediately preceding the date on which the land is
29 withdrawn from the classification; plus

30 (2) interest on the property taxes at the rate of ten percent
31 (10%) per year.

32 (b) The liability imposed by this section is a lien upon the land
33 withdrawn from the classification. When the amount is collected,
34 the amount shall be paid into the county general fund. If the
35 amount is not paid, the lien shall be treated in the same manner
36 that delinquent taxes on real property are treated.

37 **Sec. 14.** A conveyance of land that is classified as a farmland
38 preservation parcel does not release any person acquiring an
39 interest in the land from any obligation or liability imposed under
40 this chapter.

41 SECTION 2. [EFFECTIVE UPON PASSAGE] (a) IC 6-1.1-6.9, as
42 added by this act, applies to property taxes first due and payable

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1 **after December 31, 2001.**
2 **(b) This SECTION expires January 1, 2003.**
3 **SECTION 3. An emergency is declared for this act.**

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