

# SENATE MOTION

**MR. PRESIDENT:**

**I move** that Engrossed House Bill 1902 be amended to read as follows:

- 1 Page 1, line 5, after "(c)" delete "," and insert "**and IC 6-3.1-20-7,**".
- 2 Page 4, line 24, after "section." insert "**The only duty of:**
- 3 **(1) a township assessor in a qualifying county; or**
- 4 **(2) a county assessor of a qualifying county;**
- 5 **with respect to that general reassessment is to provide to the state**
- 6 **board of tax commissioners or the state board's contractor under**
- 7 **subsection (c) any support and information requested by the state**
- 8 **board or the contractor."**
- 9 Page 4, line 30, after "date." insert "**The contract applies for the**
- 10 **appraisal of land and improvements with respect to all classes of**
- 11 **real property in the qualifying county."**
- 12 Page 6, line 14, delete "contract with the firm referred to in".
- 13 Page 6, line 15, delete "subsection (c) to".
- 14 Page 6, line 18, after "The" insert "**state board may contract to**
- 15 **have the review performed by an appraisal firm. The state board**
- 16 **or its"**.
- 17 Page 6, line 32, delete "to be" and insert "**by an appraisal firm"**.
- 18 Page 6, line 33, delete "conducted by the firm referred to in
- 19 subsection (c)".
- 20 Page 7, between lines 26 and 27, begin a new paragraph and insert:
- 21 "**(p) A township assessor in a qualifying county or a county**
- 22 **assessor of a qualifying county shall provide information requested**
- 23 **in writing by the state board of tax commissioners or the state**
- 24 **board's contractor under this section not later than seven (7) days**
- 25 **after receipt of the written request from the state board or the**
- 26 **contractor. If a township assessor or county assessor fails to**
- 27 **provide the requested information within the time permitted in this**
- 28 **subsection, the state board of tax commissioners or the state**
- 29 **board's contractor may seek an order of the tax court under**
- 30 **IC 33-3-5-2.5 for production of the information."**
- 31 Page 7, line 27, delete "(p)" and insert "(q)".

1 Page 7, delete lines 29 through 42, begin a new paragraph and  
2 insert:

3 "SECTION 3. IC 6-1.1-8.5 IS ADDED TO THE INDIANA CODE  
4 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE  
5 JANUARY 1, 2002]:

6 **Chapter 8.5. Assessment of Industrial Facilities**

7 **Sec. 1. As used in this chapter, "industrial company" means an**  
8 **owner or user of industrial property.**

9 **Sec. 2. As used in this chapter, "industrial facility" means a**  
10 **company's real property that:**

11 **(1) has been classified as industrial property under the rules**  
12 **of the state board; and**

13 **(2) has a true tax value, as estimated by the state board, of at**  
14 **least twenty-five million dollars (\$25,000,000) in a qualifying**  
15 **county.**

16 **The term includes real property that is used under an agreement**  
17 **under which the user exercises the beneficial rights of ownership**  
18 **for the majority of a year. The term does not include real property**  
19 **assessed under IC 6-1.1-8.**

20 **Sec. 3. As used in this chapter, "qualifying county" means a**  
21 **county having a population of more than four hundred thousand**  
22 **(400,000) but less than seven hundred thousand (700,000).**

23 **Sec. 4. As used in this chapter, "state board" refers to the state**  
24 **board of tax commissioners.**

25 **Sec. 5. An industrial facility located in a qualifying county shall**  
26 **be assessed in the manner prescribed in this chapter.**

27 **Sec. 6. Before:**

28 **(1) January 1, 2004; and**

29 **(2) January 1 of each year that a general reassessment**  
30 **commences under IC 6-1.1-4-4;**

31 **the county assessor of each qualifying county shall provide the**  
32 **state board a list of each industrial facility located in the qualifying**  
33 **county.**

34 **Sec. 7. (a) The township assessor of each township in a**  
35 **qualifying county shall notify the state board of a newly**  
36 **constructed industrial facility that is located in the township served**  
37 **by the township assessor.**

38 **(b) Each building commissioner in a qualifying county shall**  
39 **notify the state board of a newly constructed industrial facility that**  
40 **is located in the jurisdiction served by the building commissioner.**

41 **(c) The state board shall schedule an assessment under this**  
42 **chapter of a newly constructed industrial facility within six (6)**  
43 **months after receiving notice of the construction from the**  
44 **appropriate township assessor or building commissioner.**

45 **Sec. 8. For purposes of the general reassessment under**  
46 **IC 6-1.1-4-4 or a new assessment, the state board shall assess each**  
47 **industrial facility in a qualifying county.**

48 **Sec. 9. The county assessor of the qualifying county in which an**

1 industrial facility is located shall provide support to the state  
2 board's assessor during the course of the assessment of the  
3 industrial facility.

4 **Sec. 10. (a)** When the state board determines its final  
5 assessments of an industrial facility under this chapter, the state  
6 board shall certify the true tax values to the county assessor and  
7 the county auditor of the qualifying county in which the property  
8 is located. In addition, if an industrial company has appealed the  
9 state board's final assessment of the industrial facility, the state  
10 board shall notify the county auditor of the appeal.

11 **(b)** The county assessor of a qualifying county shall review the  
12 certification of the state board to determine if any of an industrial  
13 company's property has been omitted and notify the state board of  
14 additions the county assessor finds are necessary. The state board  
15 shall consider the county assessor's findings and make any  
16 additions to the certification the state board finds are necessary.  
17 The county auditor shall enter for taxation the assessed valuation  
18 of an industrial facility that is certified by the state board.

19 **Sec. 11. (a)** A taxpayer or the county assessor of the qualifying  
20 county in which the industrial facility is located may appeal an  
21 assessment by the state board made under this chapter to the  
22 appeals division of the state board. An appeal under this section  
23 shall be conducted in the same manner as an appeal under  
24 IC 6-1.1-15-4 through IC 6-1.1-15-8. An assessment made under  
25 this chapter that is not appealed under this section is a final  
26 unappealable order of the state board.

27 **(b)** The state board shall hold a hearing on the appeal and issue  
28 an order within one (1) year after the date the appeal is filed.

29 **Sec. 12.** The state board shall adopt rules to provide just  
30 valuations of industrial facilities under this chapter.

31 **Sec. 13.** This chapter is designed to provide special rules for the  
32 assessment and taxation of industrial facilities in a qualifying  
33 county. If a provision of this chapter conflicts with a provision of  
34 another chapter of this article, the provision of this chapter  
35 controls with respect to the assessment and taxation of an  
36 industrial facility.

37 SECTION 4. IC 6-1.1-18.5-3 IS AMENDED TO READ AS  
38 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. (a) Except as  
39 otherwise provided in this chapter **and IC 6-3.5-8-12**, a civil taxing  
40 unit that is treated as not being located in an adopting county under  
41 section 4 of this chapter may not impose an ad valorem property tax  
42 levy for an ensuing calendar year that exceeds the amount determined  
43 in the last STEP of the following STEPS:

44 STEP ONE: Add the civil taxing unit's maximum permissible ad  
45 valorem property tax levy for the preceding calendar year to the  
46 part of the civil taxing unit's certified share, if any, that was used  
47 to reduce the civil taxing unit's ad valorem property tax levy under  
48 STEP EIGHT of subsection (b) for that preceding calendar year.

- 1 STEP TWO: Multiply the amount determined in STEP ONE by  
 2 the amount determined in the last STEP of section 2 of this  
 3 chapter.
- 4 STEP THREE: Determine the lesser of one and fifteen hundredths  
 5 (1.15) or the quotient (rounded to the nearest ten-thousandth), of  
 6 the assessed value of all taxable property subject to the civil  
 7 taxing unit's ad valorem property tax levy for the ensuing calendar  
 8 year, divided by the assessed value of all taxable property that is  
 9 subject to the civil taxing unit's ad valorem property tax levy for  
 10 the ensuing calendar year and that is contained within the  
 11 geographic area that was subject to the civil taxing unit's ad  
 12 valorem property tax levy in the preceding calendar year.
- 13 STEP FOUR: Determine the greater of the amount determined in  
 14 STEP THREE or one (1).
- 15 STEP FIVE: Multiply the amount determined in STEP TWO by  
 16 the amount determined in STEP FOUR.
- 17 STEP SIX: Add the amount determined under STEP TWO to the  
 18 amount determined under subsection (c).
- 19 STEP SEVEN: Determine the greater of the amount determined  
 20 under STEP FIVE or the amount determined under STEP SIX.
- 21 (b) Except as otherwise provided in this chapter **and IC 6-3.5-8-12**,  
 22 a civil taxing unit that is treated as being located in an adopting county  
 23 under section 4 of this chapter may not impose an ad valorem property  
 24 tax levy for an ensuing calendar year that exceeds the amount  
 25 determined in the last STEP of the following STEPS:
- 26 STEP ONE: Add the civil taxing unit's maximum permissible ad  
 27 valorem property tax levy for the preceding calendar year to the  
 28 part of the civil taxing unit's certified share, if any, used to reduce  
 29 the civil taxing unit's ad valorem property tax levy under STEP  
 30 EIGHT of this subsection for that preceding calendar year.
- 31 STEP TWO: Multiply the amount determined in STEP ONE by  
 32 the amount determined in the last STEP of section 2 of this  
 33 chapter.
- 34 STEP THREE: Determine the lesser of one and fifteen hundredths  
 35 (1.15) or the quotient of the assessed value of all taxable property  
 36 subject to the civil taxing unit's ad valorem property tax levy for  
 37 the ensuing calendar year divided by the assessed value of all  
 38 taxable property that is subject to the civil taxing unit's ad  
 39 valorem property tax levy for the ensuing calendar year and that  
 40 is contained within the geographic area that was subject to the  
 41 civil taxing unit's ad valorem property tax levy in the preceding  
 42 calendar year.
- 43 STEP FOUR: Determine the greater of the amount determined in  
 44 STEP THREE or one (1).
- 45 STEP FIVE: Multiply the amount determined in STEP TWO by  
 46 the amount determined in STEP FOUR.
- 47 STEP SIX: Add the amount determined under STEP TWO to the

- 1 amount determined under subsection (c).  
 2 STEP SEVEN: Determine the greater of the amount determined  
 3 under STEP FIVE or the amount determined under STEP SIX.  
 4 STEP EIGHT: Subtract the amount determined under STEP FIVE  
 5 of subsection (e) from the amount determined under STEP  
 6 SEVEN of this subsection.
- 7 (c) If a civil taxing unit in the immediately preceding calendar year  
 8 provided an area outside its boundaries with services on a contractual  
 9 basis and in the ensuing calendar year that area has been annexed by  
 10 the civil taxing unit, the amount to be entered under STEP SIX of  
 11 subsection (a) or STEP SIX of subsection (b), as the case may be,  
 12 equals the amount paid by the annexed area during the immediately  
 13 preceding calendar year for services that the civil taxing unit must  
 14 provide to that area during the ensuing calendar year as a result of the  
 15 annexation. In all other cases, the amount to be entered under STEP  
 16 SIX of subsection (a) or STEP SIX of subsection (b), as the case may  
 17 be, equals zero (0).
- 18 (d) This subsection applies only to civil taxing units located in a  
 19 county having a county adjusted gross income tax rate for resident  
 20 county taxpayers (as defined in IC 6-3.5-1.1-1) of one percent (1%) as  
 21 of January 1 of the ensuing calendar year. For each civil taxing unit, the  
 22 amount to be added to the amount determined in subsection (e), STEP  
 23 FOUR, is determined using the following formula:
- 24 STEP ONE: Multiply the civil taxing unit's maximum permissible  
 25 ad valorem property tax levy for the preceding calendar year by  
 26 two percent (2%).
- 27 STEP TWO: For the determination year, the amount to be used as  
 28 the STEP TWO amount is the amount determined in subsection  
 29 (f) for the civil taxing unit. For each year following the  
 30 determination year the STEP TWO amount is the lesser of:
- 31 (A) the amount determined in STEP ONE; or  
 32 (B) the amount determined in subsection (f) for the civil taxing  
 33 unit.
- 34 STEP THREE: Determine the greater of:
- 35 (A) zero (0); or  
 36 (B) the civil taxing unit's certified share for the ensuing  
 37 calendar year minus the greater of:
- 38 (i) the civil taxing unit's certified share for the calendar year  
 39 that immediately precedes the ensuing calendar year; or  
 40 (ii) the civil taxing unit's base year certified share.
- 41 STEP FOUR: Determine the greater of:
- 42 (A) zero (0); or  
 43 (B) the amount determined in STEP TWO minus the amount  
 44 determined in STEP THREE.
- 45 Add the amount determined in STEP FOUR to the amount determined  
 46 in subsection (e), STEP THREE, as provided in subsection (e), STEP  
 47 FOUR.

1 (e) For each civil taxing unit, the amount to be subtracted under  
 2 subsection (b), STEP EIGHT, is determined using the following  
 3 formula:

4 STEP ONE: Determine the lesser of the civil taxing unit's base  
 5 year certified share for the ensuing calendar year, as determined  
 6 under section 5 of this chapter, or the civil taxing unit's certified  
 7 share for the ensuing calendar year.

8 STEP TWO: Determine the greater of:

9 (A) zero (0); or

10 (B) the remainder of:

11 (i) the amount of federal revenue sharing money that was  
 12 received by the civil taxing unit in 1985; minus

13 (ii) the amount of federal revenue sharing money that will be  
 14 received by the civil taxing unit in the year preceding the  
 15 ensuing calendar year.

16 STEP THREE: Determine the lesser of:

17 (A) the amount determined in STEP TWO; or

18 (B) the amount determined in subsection (f) for the civil taxing  
 19 unit.

20 STEP FOUR: Add the amount determined in subsection (d),  
 21 STEP FOUR, to the amount determined in STEP THREE.

22 STEP FIVE: Subtract the amount determined in STEP FOUR  
 23 from the amount determined in STEP ONE.

24 (f) As used in this section, a taxing unit's "determination year"  
 25 means the latest of:

26 (1) calendar year 1987, if the taxing unit is treated as being  
 27 located in an adopting county for calendar year 1987 under  
 28 section 4 of this chapter;

29 (2) the taxing unit's base year, as defined in section 5 of this  
 30 chapter, if the taxing unit is treated as not being located in an  
 31 adopting county for calendar year 1987 under section 4 of this  
 32 chapter; or

33 (3) the ensuing calendar year following the first year that the  
 34 taxing unit is located in a county that has a county adjusted gross  
 35 income tax rate of more than one-half percent (0.5%) on July 1 of  
 36 that year.

37 The amount to be used in subsections (d) and (e) for a taxing unit  
 38 depends upon the taxing unit's certified share for the ensuing calendar  
 39 year, the taxing unit's determination year, and the county adjusted gross  
 40 income tax rate for resident county taxpayers (as defined in  
 41 IC 6-3.5-1.1-1) that is in effect in the taxing unit's county on July 1 of  
 42 the year preceding the ensuing calendar year. For the determination  
 43 year and the ensuing calendar years following the taxing unit's  
 44 determination year, the amount is the taxing unit's certified share for  
 45 the ensuing calendar year multiplied by the appropriate factor  
 46 prescribed in the following table:

47 COUNTRIES WITH A TAX RATE OF 1/2%

1			Subsection (e)
2	Year		Factor
3	For the determination year and each en-		
4	suing calendar year following the deter-		
5	mination year . . . . .		0
6	COUNTIES WITH A TAX RATE OF 3/4%		
7			Subsection (e)
8	Year		Factor
9	For the determination year and each en-		
10	suing calendar year following the deter-		
11	mination year . . . . .		1/2
12	COUNTIES WITH A TAX RATE OF 1.0%		
13		Subsection (d)	Subsection (e)
14	Year	Factor	Factor
15	For the determination year . . . . .	1/6	1/3
16	For the ensuing calendar		
17	year following the determi-		
18	nation year . . . . .	1/4	1/3
19	For the ensuing calendar		
20	year following the determi-		
21	nation year by two (2) years . . . . .	1/3	1/3".
22	Delete pages 8 through 23.		
23	Page 24, delete lines 1 through 14.		
24	Replace the effective date in SECTION 20 with "[EFFECTIVE		
25	JANUARY 1, 2001 (RETROACTIVE)]".		
26	Page 24, line 33, delete "An" and insert "(a) Except as provided in		
27	subsection (b), an".		
28	Page 25, between lines 5 and 6, begin a new paragraph and insert:		
29	"(b) An individual is not entitled to a credit under this chapter		
30	for a taxable year for property taxes paid on the individual's		
31	homestead if the individual claims the deduction under		
32	IC 6-3-1-3.5(a)(17) for the homestead for that same taxable year.".		
33	Page 25, delete lines 40 through 42, begin a new paragraph and		
34	insert:		
35	"(b) One-half (1/2) of the amount determined by the department		
36	under subsection (a) shall be:		
37	(1) deducted during the year from the riverboat admissions		
38	tax revenue otherwise payable to the county under		
39	IC 4-33-12-6(b)(2); and		
40	(2) paid instead to the state general fund.		
41	(c) One-sixth (1/6) of the amount determined by the department		
42	under subsection (a) shall be:		
43	(1) deducted during the year from the riverboat admissions		
44	tax revenue otherwise payable under IC 4-33-12-6(b)(1) to		
45	each of the following:		
46	(A) The largest city by population located in the county.		
47	(B) The second largest city by population located in the		

- 1                    **county.**
- 2                    **(C) The third largest city by population located in the**
- 3                    **county; and**
- 4                    **(2) paid instead to the state general fund."**
- 5                    Page 26, delete lines 1 through 29.
- 6                    Page 28, line 1, after "option income tax," insert "**or**".
- 7                    Page 28, line 2, delete ", or the property tax reduction income tax".
- 8                    Page 28, delete lines 5 through 24.
- 9                    Page 28, line 25, delete "(f)" and insert "**(d)**".
- 10                  Page 31, between lines 9 and 10, begin a new paragraph and insert:
- 11                  **"(g) This subsection applies if the fiscal body of a municipality**
- 12                  **in a qualifying county adopts an ordinance under section 11 of this**
- 13                  **chapter to impose a municipal option income tax. The maximum**
- 14                  **permissible ad valorem property tax levy of the municipality is not**
- 15                  **subject to any increase under IC 6-1.1-18.5-3(a) or**
- 16                  **IC 6-1.1-18.5-3(b) for taxes payable in:**
- 17                    **(1) the calendar year that immediately succeeds the calendar**
- 18                    **year in which the ordinance is adopted; and**
- 19                    **(2) each succeeding calendar year in which the municipal**
- 20                    **option income tax remains in effect.**
- 21                    **(h) This subsection applies if the fiscal body of a municipality in**
- 22                    **a qualifying county adopts an ordinance under section 14 of this**
- 23                    **chapter to rescind the municipal option income tax, or if the**
- 24                    **municipal option income tax in a municipality is rescinded by**
- 25                    **operation of law. For purposes of IC 6-1.1-18.5-3(a) STEP ONE or**
- 26                    **IC 6-1.1-18.5-3(b) STEP ONE, the preceding calendar year is**
- 27                    **considered to be the calendar year in which an ordinance was**
- 28                    **adopted under section 11 of this chapter to impose the municipal**
- 29                    **option income tax."**
- 30                    Page 36, delete lines 24 through 42.
- 31                    Delete pages 37 through 44.
- 32                    Page 45, delete lines 1 through 9.
- 33                    Page 45, line 20, delete "the county property tax reduction income".
- 34                    Page 45, line 21, delete "tax (IC 6-3.5-9)".
- 35                    Page 45, delete line 42, begin a new paragraph and insert:
- 36                    "SECTION 9. IC 33-3-5-2.5 IS ADDED TO THE INDIANA CODE
- 37                    AS A **NEW SECTION TO READ AS FOLLOWS [EFFECTIVE**
- 38                    **UPON PASSAGE]: Sec. 2.5. (a) As used in this section, "qualifying**
- 39                    **county" means a county having a population of more than four**
- 40                    **hundred thousand (400,000) and less than seven hundred thousand**
- 41                    **(700,000).**
- 42                    **(b) As used in this section, "contractor" means the general**
- 43                    **reassessment contractor of the state board of tax commissioners**
- 44                    **under IC 6-1.1-4-32.**
- 45                    **(c) Upon petition from:**
- 46                    **(1) the state board of tax commissioners; or**
- 47                    **(2) the contractor;**



1 the tax court may order a township assessor in a qualifying county  
2 or a county assessor of a qualifying county to produce information  
3 requested in writing from the township assessor or county assessor  
4 by the state board of tax commissioners or the contractor.

5 (d) If the tax court orders a township assessor or county  
6 assessor to provide requested information as described in  
7 subsection (b), the tax court shall order production of the  
8 information not later than fourteen (14) days after the date of the  
9 tax court's order.

10 (e) The tax court may find that any willful violation of this  
11 section by a township assessor or county assessor constitutes a  
12 direct contempt of the tax court."

13 Page 46, delete lines 1 through 30, begin a new paragraph and  
14 insert:

15 "SECTION 10. [EFFECTIVE JULY 1, 2001] (a) IC 6-1.1-8.5, as  
16 added by this act, applies to property taxes first due and payable  
17 after December 31, 2004.

18 (b) This SECTION expires January 1, 2006."

19 Replace the effective date in SECTION 26 with "[EFFECTIVE  
20 JANUARY 1, 2001 (RETROACTIVE)]".

21 Page 46, line 33, delete "2001" and insert "2000".

22 Renumber all SECTIONS consecutively.

(Reference is to EHB 1902 as printed April 6, 2001.)

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Senator LANDSKE