

Adopted	Rejected
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## COMMITTEE REPORT

YES:	20
NO:	4

### MR. SPEAKER:

*Your Committee on Ways and Means, to which was referred Senate Bill 19, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill **be amended** as follows:*

- 1           Replace the effective dates in SECTIONS 1 through 2 with
- 2           "[EFFECTIVE JULY 1, 2002]".
- 3           Page 1, line 12, reset in roman "(1)".
- 4           Page 1, line 13, delete "." and insert ";".
- 5           Page 1, line 13, reset in roman "and".
- 6           Page 1, reset in roman line 14.
- 7           Page 1, line 14, after "exceed" delete ":" and insert "**fifty (50)**
- 8           **acres.**".
- 9           Page 2, line 8, delete "and".
- 10          Page 2, reset in roman line 9.
- 11          Page 2, line 9, after "exceed" delete ":" and insert "**fifty (50) acres;**
- 12          **and**".
- 13          Page 2, line 17, reset in roman "(3)".
- 14          Page 2, line 17, delete "(2)".
- 15          Page 5, line 29, reset in roman "not exceeding".
- 16          Page 5, line 29, after "(15)" insert "**fifty (50)**".

1 Page 5, line 29, reset in roman "acres,"  
 2 Page 6, between lines 9 and 10, begin a new paragraph and insert:  
 3 "SECTION 3. IC 6-1.1-10-25 IS AMENDED TO READ AS  
 4 FOLLOWS [EFFECTIVE JANUARY 1, 2003]: Sec. 25. ~~(a)~~ Subject to  
 5 the limitations contained in ~~subsection (b) of this section~~, **section 36.3**  
 6 **of this chapter**, tangible property is exempt from property taxation if  
 7 it is owned by **and used for the exempt purposes of** any of the  
 8 following organizations:

- 9 (1) The Young Men's Christian Association.
- 10 (2) The Salvation Army, Inc.
- 11 (3) The Knights of Columbus.
- 12 (4) The Young Men's Hebrew Association.
- 13 (5) The Young Women's Christian Association.
- 14 (6) A chapter or post of Disabled American Veterans of World  
 15 War I or II.
- 16 (7) A chapter or post of the Veterans of Foreign Wars.
- 17 (8) A post of the American Legion.
- 18 (9) A post of the American War Veterans.
- 19 (10) A camp of United States Spanish War Veterans.
- 20 (11) The Boy Scouts of America, one (1) or more of its  
 21 incorporated local councils, or a bank or trust company in trust for  
 22 the benefit of one (1) or more of its local councils.
- 23 (12) The Girl Scouts of the U.S.A., one (1) or more of its  
 24 incorporated local councils, or a bank or trust company in trust for  
 25 the benefit of one (1) or more of its local councils.

26 ~~(b) This exemption does not apply unless the property is exclusively~~  
 27 ~~used, and in the case of real property actually occupied, for the~~  
 28 ~~purposes and objectives of the organization.~~

29 SECTION 4. IC 6-1.1-10-36.3 IS AMENDED TO READ AS  
 30 FOLLOWS [EFFECTIVE JANUARY 1, 2003]: Sec. 36.3. (a) For  
 31 purposes of this section, property is predominantly used or occupied for  
 32 one (1) or more stated purposes if it is used or occupied for one (1) or  
 33 more of those purposes during:

- 34 (1) **less than one hundred percent (100%); but**
  - 35 (2) more than fifty percent (50%);
- 36 of the time that it is used or occupied in the year that ends on the  
 37 assessment date of the property.

38 (b) If a section of this chapter **or another statute** states one (1) or

1 more purposes for which property must be **owned, held in trust**, used,  
 2 or occupied in order to qualify for an exemption ~~then from property~~  
 3 **tax under IC 6-1.1 or one (1) or more purposes for which a**  
 4 **taxpayer must exist, be organized, or be operated in order for the**  
 5 **taxpayer's property to be exempt from property tax under**  
 6 **IC 6-1.1**, the exemption applies as follows:

7 (1) **One hundred percent (100%) of the assessed value of**  
 8 **property that is exclusively used or occupied for one (1) or more**  
 9 **of the stated purposes is ~~totally exempt under that section: from~~**  
 10 **property tax.**

11 ~~(2) Property that is predominantly used; or occupied for one (1)~~  
 12 ~~or more of the stated purposes by a church religious society or~~  
 13 ~~not-for-profit school is totally exempt under that section:~~

14 ~~(3) (2) If property is used for a purpose that is not exempt from~~  
 15 ~~property tax under this chapter or another law but is~~  
 16 ~~predominantly used or occupied for one (1) or more of the stated~~  
 17 ~~purposes, by a person other than a church religious society or~~  
 18 ~~not-for-profit school only part of the assessed value of the~~  
 19 ~~property is exempt under that section from property tax. on the~~  
 20 ~~part of the assessment of the property that bears the same~~  
 21 ~~proportion to the total assessment of the property as~~ **Subject to**  
 22 **subsection (d), the amount of the deduction is equal to the**  
 23 **assessed value of the property multiplied by a fraction. The**  
 24 **numerator of the fraction is** the amount of time that the property  
 25 was used or occupied for one (1) or more of the stated purposes  
 26 during the year that ends on the assessment date of the property.  
 27 ~~bears to~~ **The denominator of the fraction is** the amount of time  
 28 that the property was used or occupied for any purpose during that  
 29 year.

30 ~~(4) (3) None of the assessed value of~~ property that is  
 31 predominantly used or occupied for a purpose other than one (1)  
 32 of the stated purposes is ~~not~~ exempt from any part of the property  
 33 tax.

34 (c) ~~Property is not used or occupied for one (1) or more of the stated~~  
 35 ~~purposes during the time that a predominant part of the~~ **For purposes**  
 36 **of subsection (b), property is not being used or occupied for a stated**  
 37 **exempt purpose if it is** used or occupied in connection with a trade or  
 38 business that is not ~~substantially~~ **directly** related to the exercise or

1 performance of one (1) or more of the stated purposes.

2 **(d) For purposes of subsection (b)(2), if only part of a building**  
 3 **or structure is used for an exempt purpose or a nonexempt**  
 4 **purpose, the deduction for the building or structure shall be**  
 5 **adjusted to reflect the area in the building devoted to the exempt**  
 6 **and nonexempt purposes under the procedures prescribed by the**  
 7 **department of local government finance.**

8 SECTION 5. IC 6-1.1-11-3, AS AMENDED BY P.L.198-2001,  
 9 SECTION 32, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 10 UPON PASSAGE]: Sec. 3. (a) An owner of tangible property who  
 11 wishes to obtain an exemption from property taxation shall file a  
 12 certified application in duplicate with the auditor of the county in  
 13 which the property that is the subject of the exemption is located. The  
 14 application must be filed annually on or before May 15 on forms  
 15 prescribed by the department of local government finance. The county  
 16 auditor shall immediately forward a copy of the certified application to  
 17 the county assessor. Except as provided in sections 1, 3.5, and 4 of this  
 18 chapter, the application applies only for the taxes imposed for the year  
 19 for which the application is filed.

20 (b) The authority for signing an exemption application may not be  
 21 delegated by the owner of the property to any other person except by  
 22 an executed power of attorney.

23 (c) An exemption application which is required under this chapter  
 24 shall contain the following information:

25 (1) A description of the property claimed to be exempt in  
 26 sufficient detail to afford identification.

27 (2) A statement showing the ownership, possession, and use of  
 28 the property.

29 (3) The grounds for claiming the exemption.

30 **(4) The percentage of the exemption to which the person is**  
 31 **entitled under IC 6-1.1-10-36.3.**

32 **(5) The full name and address of the applicant.**

33 ~~(5)~~ **(6) Any additional information which the department of local**  
 34 **government finance may require.**

35 (d) A person who signs an exemption application shall attest in  
 36 writing and under penalties of perjury that, to the best of the person's  
 37 knowledge and belief, a predominant part of the property claimed to be  
 38 exempt is not being used or occupied in connection with a trade or

1 business that is not ~~substantially~~ **directly** related to the exercise or  
 2 performance of the organization's exempt purpose.

3 SECTION 6. IC 6-2.1-3-23 IS AMENDED TO READ AS  
 4 FOLLOWS [EFFECTIVE JANUARY 1, 2003]: Sec. 23. The  
 5 exemptions provided by sections 19, 20, 21, and 22 of this chapter do  
 6 not apply to gross income received by a taxpayer that:

7 (1) is derived from ~~an unrelated~~ **a trade or business as defined in**  
 8 **Section 513 of the Internal Revenue Code: that is not directly**  
 9 **related to the purposes for which the taxpayer is exempt**  
 10 **under section 19, 20, 21, or 22 of this chapter; and**

11 **(2) does not qualify as receipts from a charitable contribution**  
 12 **(as defined in Section 170 of the Internal Revenue Code).**

13 SECTION 7. IC 6-2.5-5-25 IS AMENDED TO READ AS  
 14 FOLLOWS [EFFECTIVE JANUARY 1, 2003]: Sec. 25. (a)  
 15 Transactions involving tangible personal property or service are  
 16 exempt from the state gross retail tax, if the person acquiring the  
 17 property or service:

18 (1) is an organization which is granted a gross income tax  
 19 exemption under IC 6-2.1-3-20, IC 6-2.1-3-21, or IC 6-2.1-3-22;

20 (2) **primarily directly** uses the property or service to carry on or  
 21 to **raise money obtain charitable contributions (as defined in**  
 22 **Section 170 of the Internal Revenue Code)** to carry on the  
 23 not-for-profit purpose for which it receives the gross income tax  
 24 exemption; and

25 (3) is not an organization operated predominantly for social  
 26 purposes.

27 (b) Transactions occurring after December 31, 1976, and involving  
 28 tangible personal property or service are exempt from the state gross  
 29 retail tax, if the person acquiring the property or service:

30 (1) is a fraternity, sorority, or student cooperative housing  
 31 organization which is granted a gross income tax exemption under  
 32 IC 6-2.1-3-19; and

33 (2) uses the property or service to carry on its ordinary and usual  
 34 activities and operations as a fraternity, sorority, or student  
 35 cooperative housing organization.

36 SECTION 8. IC 6-3-1-3.5, AS AMENDED BY P.L.14-2000,  
 37 SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 38 JANUARY 1, 2003]: Sec. 3.5. When used in IC 6-3, the term "adjusted

1 gross income" shall mean the following:

2 (a) In the case of all individuals, "adjusted gross income" (as  
3 defined in Section 62 of the Internal Revenue Code), modified as  
4 follows:

5 (1) Subtract income that is exempt from taxation under IC 6-3 by  
6 the Constitution and statutes of the United States.

7 (2) Add an amount equal to any deduction or deductions allowed  
8 or allowable pursuant to Section 62 of the Internal Revenue Code  
9 for taxes based on or measured by income and levied at the state  
10 level by any state of the United States.

11 (3) Subtract one thousand dollars (\$1,000), or in the case of a  
12 joint return filed by a husband and wife, subtract for each spouse  
13 one thousand dollars (\$1,000).

14 (4) Subtract one thousand dollars (\$1,000) for:

15 (A) each of the exemptions provided by Section 151(c) of the  
16 Internal Revenue Code;

17 (B) each additional amount allowable under Section 63(f) of  
18 the Internal Revenue Code; and

19 (C) the spouse of the taxpayer if a separate return is made by  
20 the taxpayer and if the spouse, for the calendar year in which  
21 the taxable year of the taxpayer begins, has no gross income  
22 and is not the dependent of another taxpayer.

23 (5) Subtract:

24 (A) one thousand five hundred dollars (\$1,500) for each of the  
25 exemptions allowed under Section 151(c)(1)(B) of the Internal  
26 Revenue Code for taxable years beginning after December 31,  
27 1996; and

28 (B) five hundred dollars (\$500) for each additional amount  
29 allowable under Section 63(f)(1) of the Internal Revenue Code  
30 if the adjusted gross income of the taxpayer, or the taxpayer  
31 and the taxpayer's spouse in the case of a joint return, is less  
32 than forty thousand dollars (\$40,000).

33 This amount is in addition to the amount subtracted under  
34 subdivision (4).

35 (6) Subtract an amount equal to the lesser of:

36 (A) that part of the individual's adjusted gross income (as  
37 defined in Section 62 of the Internal Revenue Code) for that  
38 taxable year that is subject to a tax that is imposed by a

- 1 political subdivision of another state and that is imposed on or  
2 measured by income; or  
3 (B) two thousand dollars (\$2,000).
- 4 (7) Add an amount equal to the total capital gain portion of a  
5 lump sum distribution (as defined in Section 402(e)(4)(D) of the  
6 Internal Revenue Code) if the lump sum distribution is received  
7 by the individual during the taxable year and if the capital gain  
8 portion of the distribution is taxed in the manner provided in  
9 Section 402 of the Internal Revenue Code.
- 10 (8) Subtract any amounts included in federal adjusted gross  
11 income under Internal Revenue Code Section 111 as a recovery  
12 of items previously deducted as an itemized deduction from  
13 adjusted gross income.
- 14 (9) Subtract any amounts included in federal adjusted gross  
15 income under the Internal Revenue Code which amounts were  
16 received by the individual as supplemental railroad retirement  
17 annuities under 45 U.S.C. 231 and which are not deductible under  
18 subdivision (1).
- 19 (10) Add an amount equal to the deduction allowed under Section  
20 221 of the Internal Revenue Code for married couples filing joint  
21 returns if the taxable year began before January 1, 1987.
- 22 (11) Add an amount equal to the interest excluded from federal  
23 gross income by the individual for the taxable year under Section  
24 128 of the Internal Revenue Code if the taxable year began before  
25 January 1, 1985.
- 26 (12) Subtract an amount equal to the amount of federal Social  
27 Security and Railroad Retirement benefits included in a taxpayer's  
28 federal gross income by Section 86 of the Internal Revenue Code.
- 29 (13) In the case of a nonresident taxpayer or a resident taxpayer  
30 residing in Indiana for a period of less than the taxpayer's entire  
31 taxable year, the total amount of the deductions allowed pursuant  
32 to subdivisions (3), (4), (5), and (6) shall be reduced to an amount  
33 which bears the same ratio to the total as the taxpayer's income  
34 taxable in Indiana bears to the taxpayer's total income.
- 35 (14) In the case of an individual who is a recipient of assistance  
36 under IC 12-10-6-1, IC 12-10-6-2, IC 12-15-2-2, or IC 12-15-7,  
37 subtract an amount equal to that portion of the individual's  
38 adjusted gross income with respect to which the individual is not

- 1 allowed under federal law to retain an amount to pay state and  
 2 local income taxes.
- 3 (15) In the case of an eligible individual, subtract the amount of  
 4 a Holocaust victim's settlement payment included in the  
 5 individual's federal adjusted gross income.
- 6 (16) For taxable years beginning after December 31, 1999,  
 7 subtract an amount equal to the portion of any premiums paid  
 8 during the taxable year by the taxpayer for a qualified long term  
 9 care policy (as defined in IC 12-15-39.6-5) for the taxpayer or the  
 10 taxpayer's spouse, or both.
- 11 (17) Subtract an amount equal to the lesser of:
- 12 (A) two thousand five hundred dollars (\$2,500); or
- 13 (B) the amount of property taxes that are paid during the  
 14 taxable year in Indiana by the individual on the individual's  
 15 principal place of residence.
- 16 (b) In the case of corporations, the same as "taxable income" (as  
 17 defined in Section 63 of the Internal Revenue Code) adjusted as  
 18 follows:
- 19 (1) Subtract income that is exempt from taxation under IC 6-3 by  
 20 the Constitution and statutes of the United States.
- 21 (2) Add an amount equal to any deduction or deductions allowed  
 22 or allowable pursuant to Section 170 of the Internal Revenue  
 23 Code.
- 24 (3) Add an amount equal to any deduction or deductions allowed  
 25 or allowable pursuant to Section 63 of the Internal Revenue Code  
 26 for taxes based on or measured by income and levied at the state  
 27 level by any state of the United States.
- 28 (4) Subtract an amount equal to the amount included in the  
 29 corporation's taxable income under Section 78 of the Internal  
 30 Revenue Code.
- 31 **(5) Add an amount equal to the net amount excluded from**  
 32 **taxable income under Section 501(a) of the Internal Revenue**  
 33 **Code from a trade or business that is not directly related to**  
 34 **the purposes for which the corporation is exempt from federal**  
 35 **income taxation, after subtracting:**
- 36 (A) any deductions from gross income that would be  
 37 available under the Internal Revenue Code if the income  
 38 was not exempt from taxation under Section 501(a) of the



1           **Internal Revenue Code; and**  
 2           **(B) income resulting from investment of contributions for**  
 3           **which a deduction is allowable under Section 170 of the**  
 4           **Internal Revenue Code or the earnings on these**  
 5           **contributions in marketable securities, savings accounts, or**  
 6           **other cash equivalents if the money is restricted for direct**  
 7           **use for an exempt purpose.**

8           (c) In the case of trusts and estates, "taxable income" (as defined for  
 9 trusts and estates in Section 641(b) of the Internal Revenue Code):

10           (1) reduced by income that is exempt from taxation under IC 6-3  
 11 by the Constitution and statutes of the United States; **and**

12           **(2) increased by an amount equal to the net amount excluded**  
 13           **from taxable income under Section 501(a) of the Internal**  
 14           **Revenue Code from a trade or business that is not directly**  
 15           **related to the purposes for which the corporation is exempt**  
 16           **from federal income taxation, after subtracting:**

17           **(A) any deductions from gross income that would be**  
 18           **available under the Internal Revenue Code if the income**  
 19           **was not exempt from taxation under Section 501(a) of the**  
 20           **Internal Revenue Code; and**

21           **(B) income resulting from investment of contributions for**  
 22           **which a deduction is allowable under Section 170 of the**  
 23           **Internal Revenue Code or the earnings on these**  
 24           **contributions in marketable securities, savings accounts, or**  
 25           **other cash equivalents if the money is restricted for direct**  
 26           **use for an exempt purpose.**

27           SECTION 9. IC 6-3-2-2.8 IS AMENDED TO READ AS  
 28 FOLLOWS [EFFECTIVE JANUARY 1, 2003]: Sec. 2.8.  
 29 Notwithstanding any provision of IC 6-3-1 through IC 6-3-7, there shall  
 30 be no tax on the adjusted gross income of the following:

31           (1) Any organization described in Section 501(a) of the Internal  
 32 Revenue Code, except: ~~that any~~

33           **(A) income of such organization which is subject to income**  
 34           **tax under the Internal Revenue Code; and**

35           **(B) the net amount excluded from taxable income under**  
 36           **Section 501(a) of the Internal Revenue Code from a trade**  
 37           **or business that is not directly related to the purposes for**  
 38           **which the corporation is exempt from federal income**

- 1                   **taxation, after subtracting:**
- 2                    (i) **any deductions from gross income that would be**
- 3                    **available under the Internal Revenue Code if the income**
- 4                    **was not exempt from taxation under Section 501(a) of**
- 5                    **the Internal Revenue Code; and**
- 6                    (ii) **income resulting from investment of contributions**
- 7                    **for which a deduction is allowable under Section 170 of**
- 8                    **the Internal Revenue Code or the earnings on these**
- 9                    **contributions in marketable securities, savings accounts,**
- 10                   **or other cash equivalents if the money is restricted for**
- 11                   **direct use for an exempt purpose;**

12 shall be subject to the tax under IC 6-3-1 through IC 6-3-7.

13 (2) Any corporation which is exempt from income tax under  
14 Section 1363 of the Internal Revenue Code and which complies  
15 with the requirements of IC 6-3-4-13. However, income of a  
16 corporation described under this subdivision that is subject to  
17 income tax under the Internal Revenue Code is subject to the tax  
18 under IC 6-3-1 through IC 6-3-7. A corporation will not lose its  
19 exemption under this section because it fails to comply with  
20 IC 6-3-4-13 but it will be subject to the penalties provided by  
21 IC 6-8.1-10.

22 (3) Banks and trust companies, national banking associations,  
23 savings banks, building and loan associations, and savings and  
24 loan associations.

25 (4) Insurance companies subject to tax under IC 27-1-18-2.

26 (5) International banking facilities (as defined in Regulation D of  
27 the Board of Governors of the Federal Reserve System (12 CFR  
28 204)).

29                   SECTION 10. IC 6-3-2-3.1 IS AMENDED TO READ AS  
30 FOLLOWS [EFFECTIVE JANUARY 1, 2003]: Sec. 3.1. ~~(a) Except as~~  
31 ~~otherwise provided in subsection (b);~~ **Income is not of the following**  
32 **entities is exempt from the adjusted gross income tax or (IC 6-3-1**  
33 **through IC 6-3-7) and the supplemental net income tax under section**  
34 **2-8(1) of this chapter if the income is derived by the exempt**  
35 **organization from an unrelated trade or business, as defined in Section**  
36 **513 of the Internal Revenue Code:**

37                   **(b) This section does not apply to: (IC 6-3-8):**

- 38                    (1) The United States government.

- 1 (2) An agency or instrumentality of the United States government.
- 2 (3) This state.
- 3 (4) A state agency, as defined in IC 34-6-2-141.
- 4 (5) A political subdivision, as defined in IC 34-6-2-110. ~~or~~
- 5 (6) A county solid waste management district or a joint solid
- 6 waste management district established under IC 13-21 or
- 7 IC 13-9.5-2 (before its repeal)."

8 Page 6, line 18, after "land" insert "**not exceeding fifty (50) acres,**".  
 9 Page 6, block indent lines 41 through 42.

10 Page 6, after line 42, begin a new paragraph and insert:

11 "SECTION 4. IC 6-1.1-10-36.5 IS REPEALED [EFFECTIVE  
 12 JANUARY 1, 2003].

13 SECTION 5. [EFFECTIVE UPON PASSAGE] **(a) IC 6-1.1-10-36.3**  
 14 **and IC 6-1.1-11-3, both as amended by this act, and the repeal of**  
 15 **IC 6-1.1-10-36.5 by this act, apply only to property taxes first due**  
 16 **and payable after December 31, 2002. The department of local**  
 17 **government finance shall prescribe and make available forms to**  
 18 **comply with IC 6-1.1-11-3, as amended by this act, as soon as**  
 19 **practicable after the effective date of this SECTION.**  
 20 **Notwithstanding IC 6-1.1-11-3, as amended by this act:**

- 21 (1) a taxpayer that:
  - 22 (A) qualifies for a one hundred percent (100%) property
  - 23 tax exemption under IC 6-1.1-10-36.3(b)(1) as amended by
  - 24 this act; and
  - 25 (B) is exempt under IC 6-1.1-11-3.5 or IC 6-1.1-11-4 from
  - 26 filing a certified property tax exemption application in
  - 27 calendar year 2002;

28 is not required by the amendment to IC 6-1.1-11-3 by this act  
 29 to file an exemption application until required by  
 30 IC 6-1.1-11-3.5 or IC 6-1.1-11-4; and

- 31 (2) a taxpayer whose property tax exemption is changed by
- 32 the amendment to IC 6-1.1-10-36.3 by this act, or the repeal
- 33 of IC 6-1.1-10-36.5 has until September 1, 2002, to file a
- 34 certified application under IC 6-1.1-11-3, as amended by this
- 35 act, that correctly states the amount of the exemption.

36 (b) IC 6-2.1-3-23, IC 6-2.5-5-25, IC 6-3-1-3.5, IC 6-3-2-2.8,  
 37 IC 6-3-2-3.1, and IC 6-5.5-2-7, all as amended by this act, apply  
 38 only to taxable years beginning after December 31, 2003.

1 (c) The department of local government finance may adopt  
2 temporary rules in the manner provided for the adoption of  
3 emergency rules under IC 4-22-2-37.1 to implement  
4 IC 6-1.1-10-36.3 and IC 6-1.1-11-3, both as amended by this act,  
5 and the repeal of IC 6-1.1-10-36.5 by this act. A temporary rule  
6 adopted under this subsection expires on the earliest of the  
7 following:

8 (1) The date that another temporary rule adopted under this  
9 subsection supersedes the prior temporary rule.

10 (2) The date that permanent rules adopted under IC 4-22-2  
11 supersede the temporary rule.

12 (3) July 1, 2004.

13 (d) The department of state revenue may adopt temporary rules  
14 in the manner provided for the adoption of emergency rules under  
15 IC 4-22-2-37.1 to implement IC 6-2.1-3-23, IC 6-3-1-3.5,  
16 IC 6-3-2-2.8, IC 6-3-2-3.1, and IC 6-5.5-2-7, all as amended by this  
17 act. A temporary rule adopted under this subsection expires on the  
18 earliest of the following:

19 (1) The date that another temporary rule adopted under this  
20 subsection supersedes the prior temporary rule.

21 (2) The date that permanent rules adopted under IC 4-22-2  
22 supersede the temporary rule.

23 (3) July 1, 2004."

24 Page 7, line 1, delete "Pursuant to" and insert "Notwithstanding".

25 Page 7, line 2, delete "IC 6-1.1-10-16, as amended by this act," and  
26 insert "IC 6-1.1-10-16 as it existed before January 1, 2002,".

27 Page 7, line 8, delete "." and insert ", instead of as set forth in  
28 IC 6-1.1-10-16 as it existed at the time of the assessment of the  
29 church or religious institution's property."

30 Page 7, between lines 19 and 20, begin a new paragraph and insert:

31 "SECTION 4. [EFFECTIVE UPON PASSAGE] (a) As used in this  
32 SECTION, "committee" refers to the interim study committee on  
33 the assessment of property owned by educational, religious, and  
34 other nonprofit organizations.

35 (b) There is established the interim study committee on the  
36 assessment of property owned by educational, religious, and other  
37 nonprofit organizations. The committee shall study:

38 (1) the assessment of property owned by educational,

- 1           **religious, and other nonprofit organizations; and**
- 2           **(2) the property tax exemptions provided to the organizations**
- 3           **described in subdivision (1).**
- 4           **(c) The committee shall operate under the policies governing**
- 5           **study committees adopted by the legislative council.**
- 6           **(d) The affirmative vote of a majority of the voting members**
- 7           **appointed to the committee are required for the committee to take**
- 8           **action on any measure, including final reports.**
- 9           **(e) Notwithstanding any other provision of this SECTION, the**
- 10          **legislative council may assign the study required under this**
- 11          **SECTION to any other interim study committee.**
- 12          **(f) This SECTION expires November 1, 2002."**
- 13          Renumber all SECTIONS consecutively.  
            (Reference is to SB 19 as reprinted February 5, 2002.)

**and when so amended that said bill do pass.**

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Representative Bauer