

COMMITTEE REPORT

MADAM PRESIDENT:

The Senate Committee on Finance, to which was referred House Bill No. 1055, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

- 1 Page 1, delete lines 1 through 17, begin a new paragraph and insert:
2 "SECTION 1. IC 6-1.1-4-5, AS AMENDED BY P.L.90-2002,
3 SECTION 31, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
4 UPON PASSAGE]: Sec. 5. (a) A petition for the reassessment of real
5 property situated within a township may be filed with the department of
6 local government finance on or before March 31st of any year ~~which~~
7 ~~is not a general election year and~~ in which no general reassessment of
8 real property is made.
- 9 (b) The petition for reassessment referred to in subsection (a)
10 must be signed by ~~not less than the following percentage of all the~~
11 ~~owners of taxable real property who reside in the township:~~
- 12 ~~(1) fifteen percent (15%) for a township which does not contain~~
13 ~~an incorporated city or town;~~
- 14 ~~(2) five percent (5%) for a township containing all or part of an~~
15 ~~incorporated city or town which has a population of five thousand~~
16 ~~(5,000) or less;~~
- 17 ~~(3) four percent (4%) for a township containing all or part of an~~
18 ~~incorporated city which has a population of more than five~~

- 1 thousand (5,000) but not exceeding ten thousand (10,000);
- 2 (4) three percent (3%) for a township containing all or part of an
- 3 incorporated city which has a population of more than ten
- 4 thousand (10,000) but not exceeding fifty thousand (50,000);
- 5 (5) two percent (2%) for a township containing all or part of an
- 6 incorporated city which has a population of more than fifty
- 7 thousand (50,000) but not exceeding one hundred fifty thousand
- 8 (150,000); or
- 9 (6) one percent (1%) for a township containing all or part of an
- 10 incorporated city which has a population of more than one
- 11 hundred fifty thousand (150,000).

12 **at least the lesser of:**

- 13 **(1) ten (10) owners of real property in a township; or**
- 14 **(2) the number of owners of real property in the township**
- 15 **that represents owners of one percent (1%) of the assessed**
- 16 **value of real property in the township.**

17 (c) The signatures on the petition referred to in subsection (a)
18 must be verified by the oath of one (1) or more of the signers. ~~And,~~ A
19 certificate of the county auditor stating that the signers constitute the
20 required number of resident owners of taxable real property of the
21 township must accompany the petition.

22 SECTION 2. IC 6-1.1-4-27.5, AS AMENDED BY P.L.245-2003,
23 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
24 UPON PASSAGE]: Sec. 27.5. (a) The auditor of each county shall
25 establish a property reassessment fund. The county treasurer shall
26 deposit all collections resulting from the property taxes that the county
27 is required to levy under this section in the county's property
28 reassessment fund.

29 (b) With respect to a general reassessment of real property that is to
30 commence on July 1, 2007, and each fourth year thereafter, the county
31 council of each county shall, for property taxes due in the year that the
32 general reassessment is to commence and the three (3) years preceding
33 that year, levy against all the taxable property in the county an amount
34 equal to one-fourth (1/4) of the estimated cost of the general
35 reassessment.

36 (c) The department of local government finance shall give to each
37 county council notice, before January 1 in a year, of the tax levies

1 required by this section for that year. **The county council may not**
 2 **reduce the tax levies required by this section as established by the**
 3 **department of local government finance.**

4 (d) The department of local government finance may raise or lower
 5 the property tax levy under this section for a year if the department
 6 determines it is appropriate because the estimated cost of a general
 7 reassessment, including a general reassessment to be completed for the
 8 March 1, 2002, assessment date, has changed.

9 (e) If the county council determines that there is insufficient money
 10 in the county's reassessment fund to pay all expenses (as permitted
 11 under sections 28.5 and 32 of this chapter) relating to the general
 12 reassessment of real property commencing July 1, 2000, the county
 13 may, for the purpose of paying expenses (as permitted under sections
 14 28.5 and 32 of this chapter) relating to the general reassessment
 15 commencing July 1, 2000, use money deposited in the fund from the
 16 tax levy under this section for 2000 or a later year.

17 SECTION 3. IC 6-1.1-4-32, AS AMENDED BY P.L.235-2003,
 18 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 19 UPON PASSAGE]: Sec. 32. (a) As used in this section, "contract"
 20 refers to a contract entered into under this section.

21 (b) As used in this section, "contractor" refers to a firm that enters
 22 into a contract with the department of local government finance under
 23 this section.

24 (c) As used in this section, "qualifying county" means a county
 25 having a population of more than four hundred thousand (400,000) but
 26 less than seven hundred thousand (700,000).

27 (d) Notwithstanding sections 15 and 17 of this chapter, a township
 28 assessor in a qualifying county may not appraise property, or have
 29 property appraised, for the general reassessment of real property to be
 30 completed for the March 1, 2002, assessment date. Completion of that
 31 general reassessment in a qualifying county is instead governed by this
 32 section. The only duty of:

- 33 (1) a township assessor in a qualifying county; or
- 34 (2) a county assessor of a qualifying county;

35 with respect to that general reassessment is to provide to the
 36 department of local government finance or the department's contractor
 37 under subsection (e) any support and information requested by the

1 department or the contractor. This subsection expires June 30, 2004.

2 (e) Subject to section 33 of this chapter, the department of local
3 government finance shall select and contract with a certified public
4 accounting firm with expertise in the appraisal of real property to
5 appraise property for the general reassessment of real property in a
6 qualifying county to be completed for the March 1, 2002, assessment
7 date. The department of local government finance may enter into
8 additional contracts to provide software or other auxiliary services to
9 be used for the appraisal of property for the general reassessment. The
10 contract applies for the appraisal of land and improvements with respect
11 to all classes of real property in the qualifying county. The contract
12 must include:

- 13 (1) a provision requiring the appraisal firm to:
- 14 (A) prepare a detailed report of:
- 15 (i) expenditures made after July 1, 1999, and before the date
16 of the report from the qualifying county's reassessment fund
17 under section 28 of this chapter (repealed); and
18 (ii) the balance in the reassessment fund as of the date of the
19 report; and
- 20 (B) file the report with:
- 21 (i) the legislative body of the qualifying county;
22 (ii) the prosecuting attorney of the qualifying county;
23 (iii) the department of local government finance; and
24 (iv) the attorney general;
- 25 (2) a fixed date by which the appraisal firm must complete all
26 responsibilities under the contract;
- 27 (3) subject to subsection (t), a provision requiring the appraisal
28 firm to use the land values determined for the qualifying county
29 under section 13.6 of this chapter (**before its repeal**);
- 30 (4) a penalty clause under which the amount to be paid for
31 appraisal services is decreased for failure to complete specified
32 services within the specified time;
- 33 (5) a provision requiring the appraisal firm to make periodic
34 reports to the department of local government finance;
- 35 (6) a provision stipulating the manner in which, and the time
36 intervals at which, the periodic reports referred to in subdivision
37 (5) are to be made;

- 1 (7) a precise stipulation of what service or services are to be
 2 provided;
 3 (8) a provision requiring the appraisal firm to deliver a report of
 4 the assessed value of each parcel in a township in the qualifying
 5 county to the department of local government finance; and
 6 (9) any other provisions required by the department of local
 7 government finance.

8 After December 31, 2001, the department of local government finance
 9 has all the powers and duties of the state board of tax commissioners
 10 provided under a contract entered into under this subsection (as
 11 effective before January 1, 2002) before January 1, 2002. The contract
 12 is valid to the same extent as if it were entered into by the department
 13 of local government finance. However, a reference in the contract to
 14 the state board of tax commissioners shall be treated as a reference to
 15 the department of local government finance. The contract shall be
 16 treated for all purposes, including the application of IC 33-3-5-2.5, as
 17 the contract of the department of local government finance. If the
 18 department of local government finance terminates a contract before
 19 completion of the work described in this subsection, the department
 20 shall contract for completion of the work as promptly as possible under
 21 IC 5-22-6. This subsection expires June 30, 2004.

22 (f) At least one (1) time each month, the contractors that will make
 23 physical visits to the site of real property for reassessment purposes
 24 shall publish a notice under IC 5-3-1 describing the areas that are
 25 scheduled to be visited within the next thirty (30) days and explaining
 26 the purposes of the visit. The notice shall be published in a way to
 27 promote understanding of the purposes of the visit in the affected areas.
 28 After receiving the report of assessed values from the appraisal firm
 29 acting under a contract described in subsection (e), the department of
 30 local government finance shall give notice to the taxpayer and the
 31 county assessor, by mail, of the amount of the reassessment. The
 32 notice of reassessment:

- 33 (1) is subject to appeal by the taxpayer under section 34 of this
 34 chapter; and
 35 (2) must include a statement of the taxpayer's rights under
 36 sections 33 and 34 of this chapter.
 37 (g) The department of local government finance shall mail the notice

1 required by subsection (f) within ninety (90) days after the department
 2 receives the report for a parcel from the professional appraisal firm.
 3 This subsection expires June 30, 2004.

4 (h) The qualifying county shall pay the cost of any contract under
 5 this section which shall be without appropriation from the county
 6 property reassessment fund. A contractor may periodically submit bills
 7 for partial payment of work performed under a contract. However, the
 8 maximum amount that the qualifying county is obligated to pay for all
 9 contracts entered into under subsection (e) for the general reassessment
 10 of real property in the qualifying county to be completed for the March
 11 1, 2002, assessment date is twenty-five million five hundred thousand
 12 dollars (\$25,500,000). Notwithstanding any other law, a contractor is
 13 entitled to payment under this subsection for work performed under a
 14 contract if the contractor:

15 (1) submits, in the form required by IC 5-11-10-1, a fully
 16 itemized, certified bill for the costs under the contract of the work
 17 performed to the department of local government finance for
 18 review;

19 (2) obtains from the department of local government finance:

20 (A) approval of the form and amount of the bill; and

21 (B) a certification that the billed goods and services billed for
 22 payment have been received and comply with the contract; and

23 (3) files with the county auditor of the qualifying county:

24 (A) a duplicate copy of the bill submitted to the department of
 25 local government finance;

26 (B) the proof of approval provided by the department of local
 27 government finance of the form and amount of the bill that
 28 was approved; and

29 (C) the certification provided by the department of local
 30 government finance that indicates that the goods and services
 31 billed for payment have been received and comply with the
 32 contract.

33 An approval and a certification under subdivision (2) shall be treated as
 34 conclusively resolving the merits of the claim. Upon receipt of the
 35 documentation described in subdivision (3), the county auditor shall
 36 immediately certify that the bill is true and correct without further audit,
 37 publish the claim as required by IC 36-2-6-3, and submit the claim to

1 the county executive of the qualifying county. The county executive
2 shall allow the claim, in full, as approved by the department of local
3 government finance without further examination of the merits of the
4 claim in a regular or special session that is held not less than three (3)
5 days and not more than seven (7) days after completion of the
6 publication requirements under IC 36-2-6-3. Upon allowance of the
7 claim by the county executive, the county auditor shall immediately
8 issue a warrant or check for the full amount of the claim approved by
9 the department of local government finance. Compliance with this
10 subsection shall be treated as compliance with section 28.5 of this
11 chapter, IC 5-11-6-1, IC 5-11-10, and IC 36-2-6. The determination
12 and payment of a claim in compliance with this subsection is not
13 subject to remonstrance and appeal. IC 36-2-6-4(f) and IC 36-2-6-9 do
14 not apply to a claim under this subsection. IC 5-11-10-1.6(d) applies to
15 a fiscal officer who pays a claim in compliance with this subsection.
16 This subsection expires June 30, 2004.

17 (i) Notwithstanding IC 4-13-2, a period of seven (7) days is
18 permitted for each of the following to review and act under IC 4-13-2
19 on a contract of the department of local government finance under this
20 section:

- 21 (1) The commissioner of the Indiana department of administration.
- 22 (2) The director of the budget agency.
- 23 (3) The attorney general.
- 24 (4) The governor.

25 (j) With respect to a general reassessment of real property to be
26 completed under section 4 of this chapter for an assessment date after
27 the March 1, 2002, assessment date, the department of local
28 government finance shall initiate a review with respect to the real
29 property in a qualifying county or a township in a qualifying county, or
30 a portion of the real property in a qualifying county or a township in a
31 qualifying county. The department of local government finance may
32 contract to have the review performed by an appraisal firm. The
33 department of local government finance or its contractor shall determine
34 for the real property under consideration and for the qualifying county
35 or township the variance between:

- 36 (1) the total assessed valuation of the real property within the
37 qualifying county or township; and

1 (2) the total assessed valuation that would result if the real
 2 property within the qualifying county or township were valued in
 3 the manner provided by law.

4 (k) If:

5 (1) the variance determined under subsection (j) exceeds ten
 6 percent (10%); and

7 (2) the department of local government finance determines after
 8 holding hearings on the matter that a special reassessment should
 9 be conducted;

10 the department shall contract for a special reassessment by an appraisal
 11 firm to correct the valuation of the property.

12 (l) If the variance determined under subsection (j) is ten percent
 13 (10%) or less, the department of local government finance shall
 14 determine whether to correct the valuation of the property under:

15 (1) sections 9 and 10 of this chapter; or

16 (2) IC 6-1.1-14-10 and IC 6-1.1-14-11.

17 (m) The department of local government finance shall give notice by
 18 mail to a taxpayer of a hearing concerning the department's intent to
 19 cause the taxpayer's property to be reassessed under this section. The
 20 time fixed for the hearing must be at least ten (10) days after the day
 21 the notice is mailed. The department of local government finance may
 22 conduct a single hearing under this section with respect to multiple
 23 properties. The notice must state:

24 (1) the time of the hearing;

25 (2) the location of the hearing; and

26 (3) that the purpose of the hearing is to hear taxpayers' comments
 27 and objections with respect to the department of local government
 28 finance's intent to reassess property under this chapter.

29 (n) If the department of local government finance determines after
 30 the hearing that property should be reassessed under this section, the
 31 department shall:

32 (1) cause the property to be reassessed under this section;

33 (2) mail a certified notice of its final determination to the county
 34 auditor of the qualifying county in which the property is located;
 35 and

36 (3) notify the taxpayer by mail of its final determination.

37 (o) A reassessment may be made under this section only if the notice

1 of the final determination under subsection (m) is given to the taxpayer
2 within the same period prescribed in IC 6-1.1-9-3 or IC 6-1.1-9-4.

3 (p) If the department of local government finance contracts for a
4 special reassessment of property under this section, the qualifying
5 county shall pay the bill, without appropriation, from the county
6 property reassessment fund. A contractor may periodically submit bills
7 for partial payment of work performed under a contract.
8 Notwithstanding any other law, a contractor is entitled to payment
9 under this subsection for work performed under a contract if the
10 contractor:

11 (1) submits, in the form required by IC 5-11-10-1, a fully
12 itemized, certified bill for the costs under the contract of the work
13 performed to the department of local government finance for
14 review;

15 (2) obtains from the department of local government finance:

16 (A) approval of the form and amount of the bill; and

17 (B) a certification that the billed goods and services billed for
18 payment have been received and comply with the contract; and

19 (3) files with the county auditor of the qualifying county:

20 (A) a duplicate copy of the bill submitted to the department of
21 local government finance;

22 (B) the proof of approval provided by the department of local
23 government finance of the form and amount of the bill that
24 was approved; and

25 (C) the certification provided by the department of local
26 government finance that indicates that the goods and services
27 billed for payment have been received and comply with the
28 contract.

29 An approval and a certification under subdivision (2) shall be treated as
30 conclusively resolving the merits of the claim. Upon receipt of the
31 documentation described in subdivision (3), the county auditor shall
32 immediately certify that the bill is true and correct without further audit,
33 publish the claim as required by IC 36-2-6-3, and submit the claim to
34 the county executive of the qualifying county. The county executive
35 shall allow the claim, in full, as approved by the department of local
36 government finance without further examination of the merits of the
37 claim in a regular or special session that is held not less than three (3)

1 days and not more than seven (7) days after completion of the
2 publication requirements under IC 36-2-6-3. Upon allowance of the
3 claim by the county executive, the county auditor shall immediately
4 issue a warrant or check for the full amount of the claim approved by
5 the department of local government finance. Compliance with this
6 subsection shall be treated as compliance with section 28.5 of this
7 chapter, IC 5-11-6-1, IC 5-11-10, and IC 36-2-6. The determination
8 and payment of a claim in compliance with this subsection is not
9 subject to remonstrance and appeal. IC 36-2-6-4(f) and IC 36-2-6-9 do
10 not apply to a claim under this subsection. IC 5-11-10-1.6(d) applies to
11 a fiscal officer who pays a claim in compliance with this subsection.

12 (q) A qualifying official (as defined in IC 33-3-5-2.5) shall provide
13 information requested in writing by the department of local government
14 finance or the department's contractor under this section not later than
15 seven (7) days after receipt of the written request from the department
16 or the contractor. If a qualifying official (as defined in IC 33-3-5-2.5)
17 fails to provide the requested information within the time permitted in
18 this subsection, the department of local government finance or the
19 department's contractor may seek an order of the tax court under
20 IC 33-3-5-2.5 for production of the information.

21 (r) The provisions of this section are severable in the manner
22 provided in IC 1-1-1-8(b).

23 (s) A contract entered into under subsection (e) is subject to this
24 subsection. A contractor shall use the land values determined for the
25 qualifying county under section 13.6 of this chapter (**before its repeal**)
26 to the extent that the contractor finds that the land values reflect the
27 true tax value of land, as determined under the statutes and the rules of
28 the department of local government finance. If the contractor finds that
29 the land values determined for the qualifying county under section 13.6
30 of this chapter (**before its repeal**) do not reflect the true tax value of
31 land, the contractor shall determine land values for the qualifying county
32 that reflect the true tax value of land, as determined under the statutes
33 and the rules of the department of local government finance. The land
34 values determined by the contractor shall be used to the same extent as
35 if the land values had been determined under section 13.6 of this
36 chapter (**before its repeal**). The contractor shall notify the county
37 assessor and the township assessors in the qualifying county of the land

1 values as modified under this subsection. This subsection expires June
2 30, 2004.

3 (t) A contractor acting under a contract under subsection (e) may
4 notify the department of local government finance if:

5 (1) the county auditor fails to:

6 (A) certify the bill;

7 (B) publish the claim;

8 (C) submit the claim to the county executive; or

9 (D) issue a warrant or check;

10 as required in subsection (h) at the first opportunity the county
11 auditor is legally permitted to do so;

12 (2) the county executive fails to allow the claim as required in
13 subsection (h) at the first opportunity the county executive is
14 legally permitted to do so; or

15 (3) a person or entity authorized to act on behalf of the county
16 takes or fails to take an action, including failure to request an
17 appropriation, and that action or failure to act delays or halts the
18 process under this section for payment of a bill submitted by a
19 contractor under subsection (h).

20 This subsection expires June 30, 2004.

21 (u) The department of local government finance, upon receiving
22 notice under subsection (t) from the contractor, shall:

23 (1) verify the accuracy of the contractor's assertion in the notice
24 that:

25 (A) a failure occurred as described in subsection (t)(1) or
26 (t)(2); or

27 (B) a person or entity acted or failed to act as described in
28 subsection (t)(3); and

29 (2) provide to the treasurer of state the department of local
30 government finance's approval under subsection (h)(2)(A) of the
31 bill with respect to which the contractor gave notice under
32 subsection (t).

33 This subsection expires June 30, 2004.

34 (v) Upon receipt of the approval of the department of local
35 government finance under subsection (u), the treasurer of state shall
36 pay the contractor the amount of the bill approved by the department of
37 local government finance from money in the possession of the state that

1 would otherwise be available for distribution to the qualifying county,
 2 including distributions from the property tax replacement fund or
 3 distributions of admissions taxes or wagering taxes. This subsection
 4 expires June 30, 2004.

5 (w) The treasurer of state shall withhold from the part attributable
 6 to the county of the next distribution to the county treasurer under
 7 IC 4-33-12-6, IC 4-33-13-5, IC 6-1.1-21-4(b), or another law the
 8 amount of any payment made by the treasurer of state to the contractor
 9 under subsection (v). Money shall be deducted first from money
 10 payable under IC 6-1.1-21.4(b) and then from all other funds payable
 11 to the qualifying county. This subsection expires June 30, 2004.

12 (x) Compliance with subsections (t) through (w) shall be treated as
 13 compliance with IC 5-11-10. This subsection expires June 30, 2004.

14 (y) IC 5-11-10-1.6(d) applies to the treasurer of state with respect
 15 to the payment made in compliance with subsections (t) through (w).
 16 This subsection and subsections (t) through (x) shall be interpreted
 17 liberally so that the state shall, to the extent legally valid, ensure that the
 18 contractual obligations of a county under this section are paid. Nothing
 19 in this subsection or subsections (t) through (x) shall be construed to
 20 create a debt of the state. This subsection expires June 30, 2004.

21 (z) This section expires December 31, 2006.

22 SECTION 4. IC 6-1.1-4-35, AS ADDED BY P.L.1-2004, SECTION
 23 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON
 24 PASSAGE]: Sec. 35. (a) This section applies to a county other than a
 25 county subject to section 32 of this chapter.

26 (b) This section applies to a general reassessment of real property
 27 conducted under section 4(a) of this chapter that is scheduled to
 28 become effective for property taxes first due and payable in 2003.

29 (c) As used in this section, "department" refers to the department of
 30 local government finance.

31 (d) As used in this section, "reassessment official" means any of the
 32 following:

- 33 (1) A county assessor.
- 34 (2) A township assessor.
- 35 (3) A township trustee-assessor.

36 (e) If:

- 37 (1) the department determines that a county's reassessment

1 officials are unable to complete the reassessment in a timely
2 manner; or
3 (2) the department determines that a county's reassessment
4 officials are likely to complete the reassessment in an inaccurate
5 manner;

6 the department may order a state conducted reassessment in the
7 county. The department may consider a reassessment in a county
8 untimely if the county does not submit the county's equalization study
9 to the department in the manner prescribed under 50 IAC 14 before
10 October 20, 2003. The department may consider the reassessment
11 work of a county's reassessment officials inaccurate if the department
12 determines from a sample of the assessments completed in the county
13 that there is a variance exceeding ten percent (10%) between the total
14 assessed valuation of the real property within the sample and the total
15 assessed valuation that would result if the real property within the
16 sample were valued in the manner provided by law.

17 (f) If the department orders a state conducted reassessment in a
18 county, the department shall assume the duties of the county's
19 reassessment officials. Notwithstanding sections 15 and 17 of this
20 chapter, a reassessment official in a county subject to an order issued
21 under this section may not assess property or have property assessed
22 for the general reassessment. Until the state conducted reassessment is
23 completed under this section, the reassessment duties of a reassessment
24 official in the county are limited to providing the department or a
25 contractor of the department the support and information requested by
26 the department or the contractor.

27 (g) Before assuming the duties of a county's reassessment officials,
28 the department shall transmit a copy of the department's order requiring
29 a state conducted reassessment to the county's reassessment officials,
30 the county fiscal body, the county auditor, and the county treasurer.
31 Notice of the department's actions must be published one (1) time in a
32 newspaper of general circulation in the county. The department is not
33 required to conduct a public hearing before taking action under this
34 section.

35 (h) Township and county officials in a county subject to an order
36 issued under this section shall, at the request of the department or the
37 department's contractor, make available and provide access to all:

- 1 (1) data;
- 2 (2) records;
- 3 (3) maps;
- 4 (4) parcel record cards;
- 5 (5) forms;
- 6 (6) computer software systems;
- 7 (7) computer hardware systems; and
- 8 (8) other information;

9 related to the reassessment of real property in the county. The
 10 information described in this subsection must be provided at no cost to
 11 the department or the contractor of the department. A failure to provide
 12 information requested under this subsection constitutes a failure to
 13 perform a duty related to a general reassessment and is subject to
 14 IC 6-1.1-37-2.

15 (i) The department may enter into a contract with a professional
 16 appraising firm to conduct a reassessment under this section. If a
 17 county or a township located in the county entered into a contract with
 18 a professional appraising firm to conduct the county's reassessment
 19 before the department orders a state conducted reassessment in the
 20 county under this section, the contract:

- 21 (1) is as valid as if it had been entered into by the department; and
- 22 (2) shall be treated as the contract of the department.

23 (j) After receiving the report of assessed values from the appraisal
 24 firm acting under a contract described in subsection (i), the department
 25 of local government finance shall give notice to the taxpayer and the
 26 county assessor, by mail, of the amount of the reassessment. The
 27 notice of reassessment:

- 28 (1) is subject to appeal by the taxpayer under section 37 of this
 29 chapter; and
- 30 (2) must include a statement of the taxpayer's rights under section
 31 37 of this chapter.

32 (k) The department shall forward a bill for services provided under
 33 a contract described in subsection (i) to the auditor of the county in
 34 which the state conducted reassessment occurs. The county shall pay
 35 the bill under the procedures prescribed by subsection (l).

36 (l) A county subject to an order issued under this section shall pay
 37 the cost of a contract described in subsection (i), without appropriation,

1 from the county's property reassessment fund. A contractor may
2 periodically submit bills for partial payment of work performed under
3 the contract. Notwithstanding any other law, a contractor is entitled to
4 payment under this subsection for work performed under a contract if
5 the contractor:

6 (1) submits to the department a fully itemized, certified bill in the
7 form required by IC 5-11-10-1 for the costs of the work
8 performed under the contract;

9 (2) obtains from the department:

10 (A) approval of the form and amount of the bill; and

11 (B) a certification that the billed goods and services have been
12 received and comply with the contract; and

13 (3) files with the county auditor:

14 (A) a duplicate copy of the bill submitted to the department;

15 (B) proof of the department's approval of the form and amount
16 of the bill; and

17 (C) the department's certification that the billed goods and
18 services have been received and comply with the contract.

19 The department's approval and certification of a bill under subdivision
20 (2) shall be treated as conclusively resolving the merits of a contractor's
21 claim. Upon receipt of the documentation described in subdivision (3),
22 the county auditor shall immediately certify that the bill is true and
23 correct without further audit, publish the claim as required by
24 IC 36-2-6-3, and submit the claim to the county executive. The county
25 executive shall allow the claim, in full, as approved by the department,
26 without further examination of the merits of the claim in a regular or
27 special session that is held not less than three (3) days and not more
28 than seven (7) days after the completion of the publication requirements
29 under IC 36-2-6-3. Upon allowance of the claim by the county
30 executive, the county auditor shall immediately issue a warrant or check
31 for the full amount of the claim approved by the department.
32 Compliance with this subsection constitutes compliance with section
33 28.5 of this chapter, IC 5-11-6-1, IC 5-11-10, and IC 36-2-6. The
34 determination and payment of a claim in compliance with this
35 subsection is not subject to remonstrance and appeal. IC 36-2-6-4(f)
36 and IC 36-2-6-9 do not apply to a claim submitted under this
37 subsection. IC 5-11-10-1.6(d) applies to a fiscal officer who pays a

1 claim in compliance with this subsection.

2 (m) Notwithstanding IC 4-13-2, a period of seven (7) days is
3 permitted for each of the following to review and act under IC 4-13-2
4 on a contract of the department entered into under this section:

- 5 (1) The commissioner of the Indiana department of administration.
6 (2) The director of the budget agency.
7 (3) The attorney general.

8 (n) If the money in a county's property reassessment fund is
9 insufficient to pay for a reassessment conducted under this section, the
10 department may increase the tax rate and tax levy of the county's
11 property reassessment fund to pay the cost and expenses related to the
12 reassessment.

13 (o) The department or the contractor of the department shall use the
14 land values determined under section 13.6 of this chapter (**before its
15 repeal**) for a county subject to an order issued under this section to the
16 extent that the department or the contractor finds that the land values
17 reflect the true tax value of land, as determined under this article and the
18 rules of the department. If the department or the contractor finds that
19 the land values determined for the county under section 13.6 of this
20 chapter (**before its repeal**) do not reflect the true tax value of land, the
21 department or the contractor shall determine land values for the county
22 that reflect the true tax value of land, as determined under this article
23 and the rules of the department. Land values determined under this
24 subsection shall be used to the same extent as if the land values had
25 been determined under section 13.6 of this chapter (**before its repeal**).
26 The department or the contractor of the department shall notify the
27 county's reassessment officials of the land values determined under this
28 subsection.

29 (p) A contractor of the department may notify the department if:

- 30 (1) a county auditor fails to:
31 (A) certify the contractor's bill;
32 (B) publish the contractor's claim;
33 (C) submit the contractor's claim to the county executive; or
34 (D) issue a warrant or check for payment of the contractor's
35 bill;

36 as required by subsection (1) at the county auditor's first legal
37 opportunity to do so;

1 (2) a county executive fails to allow the contractor's claim as
2 legally required by subsection (l) at the county executive's first
3 legal opportunity to do so; or

4 (3) a person or an entity authorized to act on behalf of the county
5 takes or fails to take an action, including failure to request an
6 appropriation, and that action or failure to act delays or halts
7 progress under this section for payment of the contractor's bill.

8 (q) The department, upon receiving notice under subsection (p)
9 from a contractor of the department, shall:

10 (1) verify the accuracy of the contractor's assertion in the notice
11 that:

12 (A) a failure occurred as described in subsection (p)(1) or
13 (p)(2); or

14 (B) a person or entity acted or failed to act as described in
15 subsection (p)(3); and

16 (2) provide to the treasurer of state the department's approval
17 under subsection (l)(2)(A) of the contractor's bill with respect to
18 which the contractor gave notice under subsection (p).

19 (r) Upon receipt of the department's approval of a contractor's bill
20 under subsection (q), the treasurer of state shall pay the contractor the
21 amount of the bill approved by the department from money in the
22 possession of the state that would otherwise be available for distribution
23 to the county, including distributions from the property tax replacement
24 fund or distribution of admissions taxes or wagering taxes.

25 (s) The treasurer of state shall withhold from the money that would
26 be distributed under IC 4-33-12-6, IC 4-33-13-5, IC 6-1.1-21-4(b) or
27 any other law to a county described in a notice provided under
28 subsection (p) the amount of a payment made by the treasurer of state
29 to the contractor of the department under subsection (r). Money shall
30 be withheld first from the money payable to the county under
31 IC 6-1.1-21-4(b) and then from all other sources payable to the county.

32 (t) Compliance with subsections (p) through (s) constitutes
33 compliance with IC 5-11-10.

34 (u) IC 5-11-10-1.6(d) applies to the treasurer of state with respect
35 to the payment made in compliance with subsections (p) through (s).
36 This subsection and subsections (p) through (s) must be interpreted
37 liberally so that the state shall, to the extent legally valid, ensure that the

1 contractual obligations of a county subject to this section are paid.
 2 Nothing in this section shall be construed to create a debt of the state.

3 (v) The provisions of this section are severable as provided in
 4 IC 1-1-1-8(b).

5 (w) This section expires January 1, 2007.

6 SECTION 5. IC 6-1.1-5.5-3, AS AMENDED BY P.L.1-2004,
 7 SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 8 UPON PASSAGE]: Sec. 3. (a) Before filing a conveyance document
 9 with the county auditor under IC 6-1.1-5-4, all the parties to the
 10 conveyance must complete and sign a sales disclosure form as
 11 prescribed by the department of local government finance under section
 12 5 of this chapter. All the parties may sign one (1) form, or if all the
 13 parties do not agree on the information to be included on the completed
 14 form, each party may sign and file a separate form.

15 (b) Except as provided in subsection (c), the auditor shall forward
 16 each sales disclosure form to the county assessor. The county assessor
 17 shall retain the forms for five (5) years. The county assessor shall
 18 forward the sales disclosure form data to the department of local
 19 government finance and the legislative services agency:

- 20 (1) before January 1, 2005, in an electronic format, if possible;
 21 and
 22 (2) after December 31, 2004, in an electronic format specified
 23 jointly by the department of local government finance and the
 24 legislative services agency.

25 The county assessor shall forward a copy of the sales disclosure forms
 26 to the township assessors in the county. The forms may be used by the
 27 county assessing officials, the department of local government finance,
 28 and the legislative services agency for ~~the purposes established in~~
 29 ~~IC 6-1.1-4-13.6~~, sales ratio studies, equalization, adoption of rules under
 30 IC 6-1.1-31-3 and IC 6-1.1-31-6, and any other authorized purpose.

31 (c) In a county containing a consolidated city, the auditor shall
 32 forward the sales disclosure form to the appropriate township assessor.
 33 The township assessor shall forward the sales disclosure form to the
 34 department of local government finance and the legislative services
 35 agency:

- 36 (1) before January 1, 2005, in an electronic format, if possible;
 37 and

1 (2) after December 31, 2004, in an electronic format specified
 2 jointly by the department of local government finance and the
 3 legislative services agency.

4 The township assessor shall forward a copy of the sales disclosure
 5 forms to the township assessors in the county. The forms may be used
 6 by the county assessing officials, the department of local government
 7 finance, and the legislative services agency for ~~the purposes established~~
 8 ~~in IC 6-1.1-4-13.6~~, sales ratio studies, equalization, adoption of rules
 9 under IC 6-1.1-31-3 and IC 6-1.1-31-6, and any other authorized
 10 purpose.

11 SECTION 6. IC 6-1.1-12.1-14 IS ADDED TO THE INDIANA
 12 CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE
 13 UPON PASSAGE]: **Sec. 14. Notwithstanding the enactment of**
 14 **P.L.245-2003 and P.L.256-2003, the duties under this chapter that**
 15 **are transferred from the department of local government finance**
 16 **to county auditors by the acts referred to in this section shall be**
 17 **performed by the department of local government finance for**
 18 **actions related to the granting of deductions for property taxes**
 19 **first due and payable in 2006.**

20 SECTION 7. IC 6-1.1-13-1 IS AMENDED TO READ AS
 21 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. ~~The powers~~
 22 ~~granted to each county property tax assessment board of appeals under~~
 23 ~~this chapter apply only to the tangible property assessments made with~~
 24 ~~respect to the last preceding assessment date.~~ Before a county property
 25 tax assessment board of appeals changes any valuation or adds any
 26 tangible property and the value of it to a return or the assessment rolls
 27 under this chapter, the board shall give prior notice by mail to the
 28 taxpayer. The notice must state a time when and place where the
 29 taxpayer may appear before the board. The time stated in the notice
 30 must be at least ten (10) days after the date the notice is mailed.

31 SECTION 8. IC 6-1.1-13-6, AS AMENDED BY P.L.256-2003,
 32 SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 33 UPON PASSAGE]: Sec. 6. A county assessor shall inquire into the
 34 assessment of the classes of tangible property in the various townships
 35 of the county:

36 (1) after March 1 in the year in which ~~the a~~ general reassessment
 37 **of real property** becomes effective **under IC 6-1.1-4-4; or**

1 **(2) in other years under the rules of the department of local**
 2 **government finance pertaining to:**

3 **(A) equalization under IC 6-1.1-14; and**

4 **(B) annual adjustments under IC 6-1.1-4-4.5.**

5 The county assessor shall make any changes, whether increases or
 6 decreases, in the assessed values which are necessary in order to
 7 equalize these values in and between the various townships of the
 8 county. In addition, the county assessor shall determine the percent to
 9 be added to or deducted from the assessed values in order to make a
 10 just, equitable, and uniform equalization of assessments in and between
 11 the townships of the county.

12 SECTION 9. IC 6-1.1-13-7 IS AMENDED TO READ AS
 13 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7. **(a)** If a county
 14 assessor proposes to change assessments under section 6 of this
 15 chapter, the property tax assessment board of appeals shall hold a
 16 hearing on the proposed changes:

17 **(1) before July 15 in ~~the~~ a year in which a general assessment is**
 18 **~~to commence~~; becomes effective; or**

19 **(2) in other years under the rules of the department of local**
 20 **government finance pertaining to:**

21 **(A) equalization under IC 6-1.1-14; and**

22 **(B) annual adjustments under IC 6-1.1-4-4.5.**

23 **(b)** It is sufficient notice of ~~the~~ **a hearing under subsection (a)** and
 24 of any changes in assessments ordered by the board subsequent to the
 25 hearing if the board gives notice by publication once either in:

26 **(1) two (2) newspapers which represent different political parties**
 27 **and which are published in the county; or**

28 **(2) one (1) newspaper only, if two (2) newspapers which**
 29 **represent different political parties are not published in the county.**

30 SECTION 10. IC 6-1.1-14-4, AS AMENDED BY P.L.90-2002,
 31 SECTION 130, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 32 UPON PASSAGE]: Sec. 4. The department of local government finance
 33 shall review the assessments of all tangible property made by the
 34 various counties of this state. **The department of local government**
 35 **finance may employ qualified professional appraisers and other**
 36 **professionals to assist in the review.** If the department of local

1 government finance determines that the assessment of a county appears
 2 to be improper, the department shall mail a certified notice to the auditor
 3 of the county informing the auditor of the department's determination
 4 to consider the modification of that county's assessment. The notice
 5 shall state whether the modification to be considered is related to real
 6 property, personal property, or both. The notice shall also state a day,
 7 at least ten (10) days after the day the notice is mailed, when a hearing
 8 on the assessment will be held. In addition to the notice to the county
 9 auditor, the department of local government finance shall give the
 10 notice, if any, required under section 9(a) of this chapter.

11 SECTION 11. IC 6-1.1-17-1, AS AMENDED BY P.L.90-2002,
 12 SECTION 147, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 13 UPON PASSAGE]: Sec. 1. (a) On or before August 1 of each year, the
 14 county auditor shall send a certified statement, under the seal of the
 15 board of county commissioners **and in the form required by the**
 16 **department of local government finance**, to the fiscal officer of each
 17 political subdivision of the county and the department of local
 18 government finance. The statement shall contain:

- 19 (1) information concerning the assessed valuation in the political
 20 subdivision for the next calendar year;
- 21 (2) an estimate of the taxes to be distributed to the political
 22 subdivision during the last six (6) months of the current calendar
 23 year;
- 24 (3) the current assessed valuation as shown on the abstract of
 25 charges;
- 26 (4) the average growth in assessed valuation in the political
 27 subdivision over the preceding three (3) budget years, excluding
 28 years in which a general reassessment occurs, determined
 29 according to procedures established by the department of local
 30 government finance; and
- 31 (5) any other information at the disposal of the county auditor that
 32 might affect the assessed value used in the budget adoption
 33 process.

34 (b) The estimate of taxes to be distributed shall be based on:

- 35 (1) the abstract of taxes levied and collectible for the current
 36 calendar year, less any taxes previously distributed for the
 37 calendar year; and

1 (2) any other information at the disposal of the county auditor
2 which might affect the estimate.

3 (c) The fiscal officer of each political subdivision shall present the
4 county auditor's statement to the proper officers of the political
5 subdivision."

6 Page 2, delete lines 1 through 23, begin a new paragraph and insert:
7 "SECTION 12. IC 6-1.1-34-9, AS AMENDED BY P.L.90-2002,
8 SECTION 244, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
9 UPON PASSAGE]: Sec. 9. In order to perform the duties assigned to
10 it under this chapter, the department of local government finance:

11 (1) shall conduct continuing studies of all property which is
12 subject to assessment in this state;

13 (2) may request access to all local and state official records;

14 (3) may secure information from the federal government or from
15 public or private agencies;

16 (4) **may:**

17 (A) **contract with; and**

18 (B) **rely on findings made by:**

19 **the Indiana Fiscal Policy Institute and professional**
20 **appraisers;**

21 (5) may inspect a person's books, records, or property if the item
22 is relevant to information which the department needs in order to
23 implement this chapter; and

24 ~~(6)~~ (6) may adopt appropriate forms and procedures."

25 Page 9, between lines 37 and 38, begin a new paragraph and insert:

26 "SECTION 16. IC 6-3.5-1.1-12, AS AMENDED BY P.L.90-2002,
27 SECTION 293, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
28 UPON PASSAGE]: Sec. 12. (a) The part of a county's certified
29 distribution for a calendar year that is to be used as property tax
30 replacement credits shall be allocated by the county auditor among the
31 civil taxing units and school corporations of the county.

32 (b) Except as provided in section 13 of this chapter, the amount of
33 property tax replacement credits that each civil taxing unit and school
34 corporation in a county is entitled to receive during a calendar year
35 equals the product of:

36 (1) that part of the county's certified distribution that is dedicated
37 to providing property tax replacement credits for that same

1 calendar year; multiplied by

2 (2) a fraction:

3 (A) The numerator of the fraction equals the sum of the total
 4 property taxes ~~being that were certified to be~~ collected by the
 5 civil taxing unit or school corporation ~~during that in the~~
 6 **immediately preceding** calendar year, **as provided in the**
 7 **approved abstract for the immediately preceding calendar**
 8 **year**, plus with respect to a civil taxing unit, the amount of
 9 federal revenue sharing funds and certified shares received by
 10 it during ~~that the immediately preceding~~ calendar year to the
 11 extent that they ~~are were~~ used to reduce its property tax levy
 12 below the limit imposed by IC 6-1.1-18.5 for that same
 13 calendar year.

14 (B) The denominator of the fraction equals the sum of the total
 15 property taxes ~~being that were certified to be~~ collected by all
 16 civil taxing units and school corporations **in the immediately**
 17 **preceding calendar year, as provided in the approved**
 18 **abstract for the immediately preceding calendar year**, plus
 19 the amount of federal revenue sharing funds and certified
 20 shares received by all civil taxing units in the county to the
 21 extent that they ~~are were~~ used to reduce the civil taxing units'
 22 property tax levies below the limits imposed by IC 6-1.1-18.5
 23 for that same calendar year.

24 (c) The department of local government finance shall provide each
 25 county auditor with the amount of property tax replacement credits that
 26 each civil taxing unit and school corporation in the auditor's county is
 27 entitled to receive. The county auditor shall then certify to each civil
 28 taxing unit and school corporation the amount of property tax
 29 replacement credits it is entitled to receive (after adjustment made under
 30 section 13 of this chapter) during that calendar year. The county auditor
 31 shall also certify these distributions to the county treasurer.

32 SECTION 17. IC 6-3.5-1.1-15, AS AMENDED BY P.L.255-2003,
 33 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 34 UPON PASSAGE]: Sec. 15. (a) As used in this section, "attributed levy"
 35 of a civil taxing unit means the sum of:

36 (1) the ad valorem property tax levy of the civil taxing unit that ~~is~~

1 ~~currently being~~ was certified to be collected at the time the
 2 ~~allocation is made;~~ in the immediately preceding calendar year,
 3 as provided in the approved abstract for the immediately
 4 preceding calendar year; plus

5 (2) the ~~current~~ ad valorem property tax levy in the immediately
 6 preceding calendar year, as provided in the approved abstract
 7 for the immediately preceding calendar year, of any special
 8 taxing district, authority, board, or other entity formed to
 9 discharge governmental services or functions on behalf of or
 10 ordinarily attributable to the civil taxing unit; plus

11 (3) the amount of federal revenue sharing funds and certified
 12 shares that were used by the civil taxing unit (or any special taxing
 13 district, authority, board, or other entity formed to discharge
 14 governmental services or functions on behalf of or ordinarily
 15 attributable to the civil taxing unit) to reduce its ad valorem
 16 property tax levies below the limits imposed by IC 6-1.1-18.5;
 17 plus

18 (4) in the case of a county, an amount equal to the property taxes
 19 imposed by the county in 1999 for the county's welfare fund and
 20 welfare administration fund.

21 (b) The part of a county's certified distribution that is to be used as
 22 certified shares shall be allocated only among the county's civil taxing
 23 units. Each civil taxing unit of a county is entitled to receive a
 24 percentage of the certified shares to be distributed in the county equal
 25 to the ratio of its attributed levy to the total attributed levies of all civil
 26 taxing units of the county.

27 (c) The local government tax control board established by
 28 IC 6-1.1-18.5-11 shall determine the attributed levies of civil taxing
 29 units that are entitled to receive certified shares during a calendar year.
 30 If the ad valorem property tax levy of any special taxing district,
 31 authority, board, or other entity is attributed to another civil taxing unit
 32 under subsection (b)(2), then the special taxing district, authority,
 33 board, or other entity shall not be treated as having an attributed levy of
 34 its own. The local government tax control board shall certify the
 35 attributed levy amounts to the appropriate county auditor. The county
 36 auditor shall then allocate the certified shares among the civil taxing
 37 units of the auditor's county.

1 (d) Certified shares received by a civil taxing unit shall be treated as
2 additional revenue for the purpose of fixing its budget for the calendar
3 year during which the certified shares will be received. The certified
4 shares may be allocated to or appropriated for any purpose, including
5 property tax relief or a transfer of funds to another civil taxing unit
6 whose levy was attributed to the civil taxing unit in the determination of
7 its attributed levy.

8 SECTION 18. IC 6-3.5-6-18, AS AMENDED BY P.L.255-2003,
9 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
10 UPON PASSAGE]: Sec. 18. (a) The revenue a county auditor receives
11 under this chapter shall be used to:

- 12 (1) replace the amount, if any, of property tax revenue lost due to
13 the allowance of an increased homestead credit within the county;
14 (2) fund the operation of a public communications system and
15 computer facilities district as provided in an election, if any, made
16 by the county fiscal body under IC 36-8-15-19(b);
17 (3) fund the operation of a public transportation corporation as
18 provided in an election, if any, made by the county fiscal body
19 under IC 36-9-4-42;
20 (4) make payments permitted under IC 36-7-15.1-17.5;
21 (5) make payments permitted under subsection (i); and
22 (6) make distributions of distributive shares to the civil taxing units
23 of a county.

24 (b) The county auditor shall retain from the payments of the
25 county's certified distribution, an amount equal to the revenue lost, if
26 any, due to the increase of the homestead credit within the county. This
27 money shall be distributed to the civil taxing units and school
28 corporations of the county as though they were property tax collections
29 and in such a manner that no civil taxing unit or school corporation shall
30 suffer a net revenue loss due to the allowance of an increased
31 homestead credit.

32 (c) The county auditor shall retain the amount, if any, specified by
33 the county fiscal body for a particular calendar year under subsection
34 (i), IC 36-7-15.1-17.5, IC 36-8-15-19(b), and IC 36-9-4-42 from the
35 county's certified distribution for that same calendar year. The county
36 auditor shall distribute amounts retained under this subsection to the
37 county.

1 (d) All certified distribution revenues that are not retained and
 2 distributed under subsections (b) and (c) shall be distributed to the civil
 3 taxing units of the county as distributive shares.

4 (e) The amount of distributive shares that each civil taxing unit in a
 5 county is entitled to receive during a month equals the product of the
 6 following:

7 (1) The amount of revenue that is to be distributed as distributive
 8 shares during that month; multiplied by

9 (2) A fraction. The numerator of the fraction equals the total
 10 property taxes that ~~are first due and payable to~~ **were certified to**
 11 **be collected by** the civil taxing unit ~~during in~~ **the immediately**
 12 **preceding** calendar year, ~~in which the month falls,~~ **as provided in**
 13 **the approved abstract for the immediately preceding calendar**
 14 **year,** plus, for a county, an amount equal to the property taxes
 15 imposed by the county in 1999 for the county's welfare fund and
 16 welfare administration fund. The denominator of the fraction
 17 equals the sum of the total property taxes that ~~are first due and~~
 18 ~~payable to~~ **were certified to be collected by** all civil taxing units
 19 of the county during the **immediately preceding** calendar year,
 20 ~~in which the month falls,~~ **as provided in the approved abstract**
 21 **for the immediately preceding calendar year,** plus an amount
 22 equal to the property taxes imposed by the county in 1999 for the
 23 county's welfare fund and welfare administration fund.

24 (f) The department of local government finance shall provide each
 25 county auditor with the fractional amount of distributive shares that
 26 each civil taxing unit in the auditor's county is entitled to receive
 27 monthly under this section.

28 (g) Notwithstanding subsection (e), if a civil taxing unit of an
 29 adopting county does not impose a property tax levy that is first due
 30 and payable in a calendar year in which distributive shares are being
 31 distributed under this section, that civil taxing unit is entitled to receive
 32 a part of the revenue to be distributed as distributive shares under this
 33 section within the county. The fractional amount such a civil taxing unit
 34 is entitled to receive each month during that calendar year equals the
 35 product of the following:

36 (1) The amount to be distributed as distributive shares during that
 37 month; multiplied by

1 (2) A fraction. The numerator of the fraction equals the budget of
 2 that civil taxing unit for that calendar year. The denominator of the
 3 fraction equals the aggregate budgets of all civil taxing units of
 4 that county for that calendar year.

5 (h) If for a calendar year a civil taxing unit is allocated a part of a
 6 county's distributive shares by subsection (g), then the formula used in
 7 subsection (e) to determine all other civil taxing units' distributive shares
 8 shall be changed each month for that same year by reducing the amount
 9 to be distributed as distributive shares under subsection (e) by the
 10 amount of distributive shares allocated under subsection (g) for that
 11 same month. The department of local government finance shall make
 12 any adjustments required by this subsection and provide them to the
 13 appropriate county auditors.

14 (i) Notwithstanding any other law, a county fiscal body may pledge
 15 revenues received under this chapter to the payment of bonds or lease
 16 rentals to finance a qualified economic development tax project under
 17 IC 36-7-27 in that county or in any other county if the county fiscal
 18 body determines that the project will promote significant opportunities
 19 for the gainful employment or retention of employment of the county's
 20 residents.

21 SECTION 19. IC 6-3.5-7-12, AS AMENDED BY P.L.224-2003,
 22 SECTION 255, AND AS AMENDED BY P.L.255-2003, SECTION 6,
 23 IS CORRECTED AND AMENDED TO READ AS FOLLOWS
 24 [EFFECTIVE UPON PASSAGE]: Sec. 12. (a) Except as provided in
 25 sections 23, 25, ~~and~~ 26, and 27 of this chapter, the county auditor shall
 26 distribute in the manner specified in this section the certified distribution
 27 to the county.

28 (b) Except as provided in subsections (c) and (h) and sections 15
 29 and 25 of this chapter, the amount of the certified distribution that the
 30 county and each city or town in a county is entitled to receive during
 31 May and November of each year equals the product of the following:

32 (1) The amount of the certified distribution for that month;
 33 multiplied by

34 (2) A fraction. The numerator of the fraction equals the sum of
 35 the following:

36 (A) Total property taxes that ~~are first due and payable to were~~
 37 **certified to be collected by** the county, city, or town during

1 the **immediately preceding** calendar year, **in which the month**
 2 **falls; as provided in the approved abstract for the**
 3 **immediately preceding calendar year; plus**

4 (B) For a county, an amount equal to

5 ~~(i) the property taxes imposed by the county in 1999 for the~~
 6 ~~county's welfare fund and welfare administration fund. *plus*~~

7 ~~(ii) *after December 31, 2004, the greater of zero (0) or the*~~
 8 ~~*difference between the county hospital care for the indigent*~~
 9 ~~*property tax levy imposed by the county in 2004, adjusted*~~
 10 ~~*each year after 2004 by the statewide average assessed value*~~
 11 ~~*growth quotient described in IC 12-16-14-3, minus the*~~
 12 ~~*current uninsured parents program property tax levy imposed*~~
 13 ~~*by the county.*~~

14 The denominator of the fraction equals the sum of the total
 15 property taxes that **are first due and payable to were certified to**
 16 **be collected by** the county and all cities and towns of the county
 17 during the **immediately preceding** calendar year, **in which the**
 18 **month falls; as provided in the approved abstract for the**
 19 **immediately preceding calendar year, plus an amount equal to**
 20 the property taxes imposed by the county in 1999 for the county's
 21 welfare fund and welfare administration fund. ~~*and after December*~~
 22 ~~*31, 2004, the greater of zero (0) or the difference between the*~~
 23 ~~*county hospital care for the indigent property tax levy imposed by*~~
 24 ~~*the county in 2004, adjusted each year after 2004 by the statewide*~~
 25 ~~*average assessed value growth quotient described in*~~
 26 ~~*IC 12-16-14-3, minus the current uninsured parents program*~~
 27 ~~*property tax levy imposed by the county.*~~

28 (c) This subsection applies to a county council or county income tax
 29 council that imposes a tax under this chapter after June 1, 1992. The
 30 body imposing the tax may adopt an ordinance before July 1 of a year
 31 to provide for the distribution of certified distributions under this
 32 subsection instead of a distribution under subsection (b). The following
 33 apply if an ordinance is adopted under this subsection:

34 (1) The ordinance is effective January 1 of the following year.

35 (2) Except as provided in sections 25 and 26 of this chapter, the
 36 amount of the certified distribution that the county and each city
 37 and town in the county is entitled to receive during May and

- 1 November of each year equals the product of:
- 2 (A) the amount of the certified distribution for the month;
- 3 multiplied by
- 4 (B) a fraction. For a city or town, the numerator of the
- 5 fraction equals the population of the city or the town. For a
- 6 county, the numerator of the fraction equals the population of
- 7 the part of the county that is not located in a city or town. The
- 8 denominator of the fraction equals the sum of the population of
- 9 all cities and towns located in the county and the population of
- 10 the part of the county that is not located in a city or town.
- 11 (3) The ordinance may be made irrevocable for the duration of
- 12 specified lease rental or debt service payments.
- 13 (d) The body imposing the tax may not adopt an ordinance under
- 14 subsection (c) if, before the adoption of the proposed ordinance, any
- 15 of the following have pledged the county economic development
- 16 income tax for any purpose permitted by IC 5-1-14 or any other statute:
- 17 (1) The county.
- 18 (2) A city or town in the county.
- 19 (3) A commission, a board, a department, or an authority that is
- 20 authorized by statute to pledge the county economic development
- 21 income tax.
- 22 (e) The department of local government finance shall provide each
- 23 county auditor with the fractional amount of the certified distribution
- 24 that the county and each city or town in the county is entitled to receive
- 25 under this section.
- 26 (f) Money received by a county, city, or town under this section
- 27 shall be deposited in the unit's economic development income tax fund.
- 28 (g) Except as provided in subsection (b)(2)(B), in determining the
- 29 fractional amount of the certified distribution the county and its cities
- 30 and towns are entitled to receive under subsection (b) during a calendar
- 31 year, the department of local government finance shall consider only
- 32 property taxes imposed on tangible property subject to assessment in
- 33 that county.
- 34 (h) In a county having a consolidated city, only the consolidated city
- 35 is entitled to the certified distribution, subject to the requirements of
- 36 sections 15, 25, and 26 of this chapter."
- 37 Page 13, between lines 1 and 2, begin a new paragraph and insert:

1 "SECTION 22. IC 21-3-1.7-7, AS AMENDED BY P.L.273-1999,
 2 SECTION 136, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 3 JULY 1, 2004]: Sec. 7. If a computation under this chapter results in a
 4 fraction and a rounding rule is not specified, the fraction shall be
 5 rounded as follows:

6 (1) If it is a tax rate calculation, to the nearest ~~one-hundredth~~
 7 **ten-thousandth** of a cent (~~\$0.0001~~): **(\$0.00001)**.

8 (2) If it is a tuition support calculation, to the nearest cent (\$0.01).

9 (3) If it is a calculation not covered by subdivision (1) or (2), to
 10 the nearest ten-thousandth (.0001).

11 SECTION 23. IC 36-2-9-20, AS AMENDED BY P.L.245-2003,
 12 SECTION 34, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 13 UPON PASSAGE]: Sec. 20. The county auditor shall:

14 (1) maintain an electronic data file of the information contained on
 15 the tax duplicate for all:

16 (A) parcels; and

17 (B) personal property returns;

18 for each township in the county as of each assessment date;

19 (2) maintain the file in the form required by:

20 (A) the legislative services agency; and

21 (B) the department of local government finance; and

22 (3) transmit **to the legislative services agency and the**
 23 **department of local government finance** the data in the file
 24 with respect to the assessment date of each year **in the form**
 25 **required by the department of local government finance**
 26 **before the later of:**

27 (A) March 1 of the next year; ~~to:~~

28 ~~(A) the legislative services agency; and or~~

29 ~~(B) the department of local government finance.~~ **thirty (30)**
 30 **days after the county mails its initial statement under**
 31 **IC 6-1.1-22-8.**

32 SECTION 24. [EFFECTIVE JULY 1, 2003 (RETROACTIVE)]: (a)
 33 **For purposes of this SECTION:**

34 (1) "department" refers to the department of local
 35 government finance;

36 (2) "district" refers to a solid waste management district that

1 **has territory in more than one (1) county; and**
 2 **(3) "2004 levy" refers to the least of:**
 3 **(A) the district's maximum permissible levy under**
 4 **IC 6-1.1-18.5-3;**
 5 **(B) the district's advertised levy; and**
 6 **(C) the district's adopted levy;**
 7 **for 2003 taxes payable in 2004.**

8 **(b) Notwithstanding:**
 9 **(1) IC 13-21-7; or**
 10 **(2) any action taken by a county or a district to fix a property**
 11 **tax levy for 2003 taxes payable in 2004;**

12 **the department may, for each county that participates in a**
 13 **district, determine under this SECTION the part of the district's**
 14 **property tax levy under IC 13-21-3-12(13) for 2003 taxes payable**
 15 **in 2004 to be levied in the county.**

16 **(c) The amount of the part referred to in subsection (b) for a**
 17 **county that participates in a district is the amount that bears the**
 18 **same proportion to the 2004 levy that the certified assessed value**
 19 **of the county as of the 2002 assessment date bears to the total**
 20 **certified assessed value as of the 2002 assessment date of all**
 21 **counties that participate in the district.**

22 **(d) The department shall use the amount determined under**
 23 **subsection (c) in setting the tax rate of the county.**

24 **(e) This SECTION expires July 1, 2005.**

25 **SECTION 25. [EFFECTIVE UPON PASSAGE] (a) For purposes**
 26 **of this SECTION, "department" refers to the department of local**
 27 **government finance.**

28 **(b) Except as provided in subsection (g), the auditor of state**
 29 **shall not distribute to a county treasurer the part designated**
 30 **under subsection (c) of the money otherwise distributable in July,**
 31 **2004, under IC 6-1.1-21-4, as amended by this act, and**
 32 **IC 6-1.1-21-10 if before July 1, 2004:**

33 **(1) the elected township assessors in the county, the elected**
 34 **township assessors and the county assessor, or the county**
 35 **assessor do not transmit to the department the data for all**

1 townships in the county required to be transmitted before
2 October 1, 2003, under IC 6-1.1-4-25(b);

3 (2) the county assessor does not forward to the department
4 the duplicate copies of all approved exemption applications
5 required to be forwarded before August 2, 2003, under
6 IC 6-1.1-11-8(a);

7 (3) the county auditor does not send to the department a
8 certified statement required to be sent before August 2,
9 2003, under IC 6-1.1-17-1 (as in effect before the
10 amendments under this act); or

11 (4) the county auditor does not transmit to the department
12 data required to be transmitted before March 1, 2003, under
13 IC 36-2-9-20 (as in effect before the amendments under this
14 act).

15 (c) The amount of money the auditor of state shall not
16 distribute under subsection (b) equals the product of:

17 (1) two percent (2%); multiplied by

18 (2) the combined amounts of the distributions for March,
19 April, and July 2004 referred to in IC 6-1.1-21-10(b).

20 (d) Except as provided in subsection (g), the auditor of state
21 shall not distribute to a county treasurer two percent (2%) of the
22 money otherwise distributable after July 2004 under
23 IC 6-1.1-21-4, as amended by this act, and IC 6-1.1-21-10 if before
24 the date of distribution the local officials referred to in subsection
25 (b) have not provided all of the data and information referred to
26 in subsection (b). The withholding under this subsection applies
27 separately to each distribution referred to in IC 6-1.1-21-10(b).

28 (e) Amounts withheld from distribution to the county treasurer
29 under this SECTION are in addition to any amounts withheld from
30 distribution under IC 6-1.1-21-4(e) or IC 6-1.1-21-4(f), both as
31 amended by this act, before deadlines in 2004 established in those
32 sections for failure to provide data or information.

33 (f) The auditor of state shall consider the provision of
34 information referred to in subsection (b) to be untimely if the
35 department notifies the auditor of state in writing that

1 information provided is inaccurate, incomplete, or, with respect to
 2 information referred to in subsection (b)(2), not in the form
 3 required by the department.

4 (g) The restrictions on distributions under subsection (b) do not
 5 apply if the department determines that the failure to provide
 6 information as referred to in subsection (b) is justified by unusual
 7 circumstances.

8 (h) When local officials provide the data and information
 9 referred to in subsection (b), money withheld under subsection (b)
 10 shall be distributed under IC 6-1.1-21-4(g) and IC 6-1.1-21-4(h),
 11 both as amended by this act.

12 (i) This SECTION expires January 1, 2006.

13 SECTION 26. [EFFECTIVE JULY 1, 2004] IC 6-1.1-19-1.5 and
 14 IC 21-3-1.7-7, both as amended by this act, apply only to property
 15 taxes first due and payable after December 31, 2004.

16 SECTION 27. [EFFECTIVE UPON PASSAGE] The department
 17 of local government finance may adopt temporary rules in the
 18 manner provided for the adoption of emergency rules under
 19 IC 4-22-2-37.1 to implement IC 6-1.1-12.1-14, as added by this act.
 20 A temporary rule adopted under this SECTION expires on the
 21 earliest of the following:

22 (1) The date of adoption under this SECTION of another
 23 temporary rule that supersedes the temporary rule
 24 previously adopted under this SECTION.

25 (2) The date of adoption under IC 4-22-2 of a permanent rule
 26 that supersedes the temporary rule adopted under this
 27 SECTION.

28 (3) January 1, 2006.

29 SECTION 28. THE FOLLOWING ARE REPEALED [EFFECTIVE
 30 UPON PASSAGE]: IC 6-1.1-4-13.6; IC 6-1.1-4-13.8."

31 Page 13, delete lines 5 through 42, begin a new paragraph and insert:

32 "SECTION 30. [EFFECTIVE UPON PASSAGE] (a) The
 33 definitions in IC 6-1.1-1 apply throughout this SECTION.

34 (b) This SECTION applies to a person who:

35 (1) is entitled to a credit under IC 6-6-5-5(b) against the

1 annual license excise tax payable in 2004 based on remaining
 2 property tax deduction for the assessment date in 2003 under
 3 IC 6-1.1-12-13, IC 6-1.1-12-14, IC 6-1.1-12-16, or
 4 IC 6-1.1-12-17.4 after allowance of the deduction on real
 5 estate and personal property owned by the person; and
 6 (2) did not receive the credit referred to in subdivision (1)
 7 because the assessed value of the person's real property for
 8 the assessment date in 2003 was not determined by a
 9 sufficiently early date to allow the application of the credit
 10 referred to in subdivision (1) against the annual license
 11 excise tax under IC 6-6-5 payable in 2004.

12 (c) A person is entitled to the credit referred to in subsection
 13 (b)(1) against the person's annual license excise tax under
 14 IC 6-6-5 payable in 2005. The credit provided by this SECTION is
 15 in addition to the credit that the person is otherwise entitled to
 16 under IC 6-6-5-5(b)."

17 Delete page 14.

18 Page 15, delete lines 1 through 39.

19 Re-number all SECTIONS consecutively.

(Reference is to HB 1055 as reprinted January 21, 2004.)

and when so amended that said bill do pass.

Committee Vote: Yeas 13, Nays 0.

Borst

Chairperson