

**CONFERENCE COMMITTEE REPORT
DIGEST FOR EHB 1767**

Citations Affected: IC 6-1.1.

Synopsis: Property taxes. CONFERENCE COMMITTEE REPORT FOR EHB 1767. Property taxes. Extends the period during which certain property tax exemptions apply to a tract of land pending construction of a building to be used for exempt purposes. Provides for repayment of property taxes if certain exempt property is sold within four years after purchase. Provides that for purposes of determining eligibility for the levy appeal for excessive assessed valuation growth, the first year of the annual adjustment of the assessed valuation of real property ("trending") is excluded. Provides a property tax exemption for certain property in Vermillion County. Validates amended personal property tax returns filed by certain taxpayers. Allows an educational, literary, scientific, religious, or charitable entity that meets certain requirements and that failed to timely file an application for property tax exemption for assessment dates after 2000 to retroactively file for and be granted the property tax exemption. **(This conference committee report: (1) deletes a noncode provision to allow validation of certain amended personal property tax returns; and (2) adds the provision to allow retroactive filing for a property tax exemption.)**

Effective: Upon passage; January 1, 2001 (retroactive); January 1, 2007 (retroactive); July 1, 2007.

CONFERENCE COMMITTEE REPORT

MR. SPEAKER:

Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed Senate Amendments to Engrossed House Bill No. 1767 respectfully reports that said two committees have conferred and agreed as follows to wit:

that the House recede from its dissent from all Senate amendments and that the House now concur in all Senate amendments to the bill and that the bill be further amended as follows:

- 1 Delete everything after the enacting clause and insert the following:
2 SECTION 1. IC 6-1.1-10-16 IS AMENDED TO READ AS
3 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 16. (a) All or part
4 of a building is exempt from property taxation if it is owned, occupied,
5 and used by a person for educational, literary, scientific, religious, or
6 charitable purposes.
7 (b) A building is exempt from property taxation if it is owned,
8 occupied, and used by a town, city, township, or county for educational,
9 literary, scientific, fraternal, or charitable purposes.
10 (c) A tract of land, including the campus and athletic grounds of an
11 educational institution, is exempt from property taxation if:
12 (1) a building that is exempt under subsection (a) or (b) is situated
13 on it;
14 (2) a parking lot or structure that serves a building referred to in
15 subdivision (1) is situated on it; or
16 (3) the tract:
17 (A) is owned by a nonprofit entity established for the purpose
18 of retaining and preserving land and water for their natural
19 characteristics;
20 (B) does not exceed five hundred (500) acres; and
21 (C) is not used by the nonprofit entity to make a profit.

1 (d) A tract of land is exempt from property taxation if:

2 (1) it is purchased for the purpose of erecting a building that is to
3 be owned, occupied, and used in such a manner that the building
4 will be exempt under subsection (a) or (b); and

5 (2) not more than ~~three (3)~~ **four (4)** years after the property is
6 purchased, and for each year after the ~~three (3)~~ **four (4)** year
7 period, the owner demonstrates substantial progress and active
8 pursuit towards the erection of the intended building and use of
9 the tract for the exempt purpose. To establish substantial progress
10 and active pursuit under this subdivision, the owner must prove
11 the existence of factors such as the following:

12 (A) Organization of and activity by a building committee or
13 other oversight group.

14 (B) Completion and filing of building plans with the
15 appropriate local government authority.

16 (C) Cash reserves dedicated to the project of a sufficient
17 amount to lead a reasonable individual to believe the actual
18 construction can and will begin within ~~three (3)~~ **four (4)** years.

19 (D) The breaking of ground and the beginning of actual
20 construction.

21 (E) Any other factor that would lead a reasonable individual to
22 believe that construction of the building is an active plan and
23 that the building is capable of being completed within ~~six (6)~~
24 **eight (8)** years considering the circumstances of the owner.

25 **If the owner of the property sells, leases, or otherwise transfers a**
26 **tract of land that is exempt under this subsection, the owner is**
27 **liable for the property taxes that were not imposed upon the tract**
28 **of land during the period beginning January 1 of the fourth year**
29 **following the purchase of the property and ending on December 31**
30 **of the year of the sale, lease, or transfer. The county auditor of the**
31 **county in which the tract of land is located may establish an**
32 **installment plan for the repayment of taxes due under this**
33 **subsection. The plan established by the county auditor may allow**
34 **the repayment of the taxes over a period of years equal to the**
35 **number of years for which property taxes must be repaid under**
36 **this subsection.**

37 (e) Personal property is exempt from property taxation if it is owned
38 and used in such a manner that it would be exempt under subsection (a)
39 or (b) if it were a building.

40 (f) A hospital's property that is exempt from property taxation under
41 subsection (a), (b), or (e) shall remain exempt from property taxation
42 even if the property is used in part to furnish goods or services to
43 another hospital whose property qualifies for exemption under this
44 section.

45 (g) Property owned by a shared hospital services organization that
46 is exempt from federal income taxation under Section 501(c)(3) or
47 501(e) of the Internal Revenue Code is exempt from property taxation
48 if it is owned, occupied, and used exclusively to furnish goods or
49 services to a hospital whose property is exempt from property taxation
50 under subsection (a), (b), or (e).

51 (h) This section does not exempt from property tax an office or a

1 practice of a physician or group of physicians that is owned by a
 2 hospital licensed under IC 16-21-1 or other property that is not
 3 substantially related to or supportive of the inpatient facility of the
 4 hospital unless the office, practice, or other property:

- 5 (1) provides or supports the provision of charity care (as defined
 6 in IC 16-18-2-52.5), including providing funds or other financial
 7 support for health care services for individuals who are indigent
 8 (as defined in IC 16-18-2-52.5(b) and IC 16-18-2-52.5(c)); or
 9 (2) provides or supports the provision of community benefits (as
 10 defined in IC 16-21-9-1), including research, education, or
 11 government sponsored indigent health care (as defined in
 12 IC 16-21-9-2).

13 However, participation in the Medicaid or Medicare program alone
 14 does not entitle an office, practice, or other property described in this
 15 subsection to an exemption under this section.

16 (i) A tract of land or a tract of land plus all or part of a structure on
 17 the land is exempt from property taxation if:

- 18 (1) the tract is acquired for the purpose of erecting, renovating, or
 19 improving a single family residential structure that is to be given
 20 away or sold:

21 (A) in a charitable manner;

22 (B) by a nonprofit organization; and

23 (C) to low income individuals who will:

24 (i) use the land as a family residence; and

25 (ii) not have an exemption for the land under this section;

26 (2) the tract does not exceed three (3) acres;

27 (3) the tract of land or the tract of land plus all or part of a
 28 structure on the land is not used for profit while exempt under this
 29 section; and

30 (4) not more than ~~three (3)~~ **four (4)** years after the property is
 31 acquired for the purpose described in subdivision (1), and for
 32 each year after the ~~three (3)~~ **four (4)** year period, the owner
 33 demonstrates substantial progress and active pursuit towards the
 34 erection, renovation, or improvement of the intended structure. To
 35 establish substantial progress and active pursuit under this
 36 subdivision, the owner must prove the existence of factors such
 37 as the following:

38 (A) Organization of and activity by a building committee or
 39 other oversight group.

40 (B) Completion and filing of building plans with the
 41 appropriate local government authority.

42 (C) Cash reserves dedicated to the project of a sufficient
 43 amount to lead a reasonable individual to believe the actual
 44 construction can and will begin within ~~six (6)~~ **five (5)** years of
 45 the initial exemption received under this subsection.

46 (D) The breaking of ground and the beginning of actual
 47 construction.

48 (E) Any other factor that would lead a reasonable individual to
 49 believe that construction of the structure is an active plan and
 50 that the structure is capable of being:

51 (i) completed; and

1 (ii) transferred to a low income individual who does not
 2 receive an exemption under this section;
 3 within ~~six (6)~~ **eight (8)** years considering the circumstances of
 4 the owner.

5 (j) An exemption under subsection (i) terminates when the property
 6 is conveyed by the nonprofit organization to another owner. When the
 7 property is conveyed to another owner, the nonprofit organization
 8 receiving the exemption must file a certified statement with the auditor
 9 of the county, notifying the auditor of the change not later than sixty
 10 (60) days after the date of the conveyance. The county auditor shall
 11 immediately forward a copy of the certified statement to the county
 12 assessor. A nonprofit organization that fails to file the statement
 13 required by this subsection is liable for the amount of property taxes
 14 due on the property conveyed if it were not for the exemption allowed
 15 under this chapter.

16 (k) If property is granted an exemption in any year under subsection
 17 (i) and the owner:

18 (1) ceases to be eligible for the exemption under subsection (i)(4);
 19 (2) fails to transfer the tangible property within ~~six (6)~~ **eight (8)**
 20 years after the assessment date for which the exemption is initially
 21 granted; or

22 (3) transfers the tangible property to a person who:

23 (A) is not a low income individual; or

24 (B) does not use the transferred property as a residence for at
 25 least one (1) year after the property is transferred;

26 the person receiving the exemption shall notify the county recorder and
 27 the county auditor of the county in which the property is located not
 28 later than sixty (60) days after the event described in subdivision (1),
 29 (2), or (3) occurs. The county auditor shall immediately inform the
 30 county assessor of a notification received under this subsection.

31 (l) If subsection (k)(1), (k)(2), or (k)(3) applies, the owner shall pay,
 32 not later than the date that the next installment of property taxes is due,
 33 an amount equal to the sum of the following:

34 (1) The total property taxes that, if it were not for the exemption
 35 under subsection (i), would have been levied on the property in
 36 each year in which an exemption was allowed.

37 (2) Interest on the property taxes at the rate of ten percent (10%)
 38 per year.

39 (m) The liability imposed by subsection (l) is a lien upon the
 40 property receiving the exemption under subsection (i). An amount
 41 collected under subsection (l) shall be collected as an excess levy. If
 42 the amount is not paid, it shall be collected in the same manner that
 43 delinquent taxes on real property are collected.

44 (n) Property referred to in this section shall be assessed to the extent
 45 required under IC 6-1.1-11-9.

46 SECTION 2. IC 6-1.1-18.5-13, AS AMENDED BY P.L.154-2006,
 47 SECTION 47, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 48 JULY 1, 2007]: Sec. 13. With respect to an appeal filed under section
 49 12 of this chapter, the local government tax control board may
 50 recommend that a civil taxing unit receive any one (1) or more of the
 51 following types of relief:

- 1 (1) Permission to the civil taxing unit to increase its levy in excess
 2 of the limitations established under section 3 of this chapter, if in
 3 the judgment of the local government tax control board the
 4 increase is reasonably necessary due to increased costs of the civil
 5 taxing unit resulting from annexation, consolidation, or other
 6 extensions of governmental services by the civil taxing unit to
 7 additional geographic areas or persons.
- 8 (2) Permission to the civil taxing unit to increase its levy in excess
 9 of the limitations established under section 3 of this chapter, if the
 10 local government tax control board finds that the civil taxing unit
 11 needs the increase to meet the civil taxing unit's share of the costs
 12 of operating a court established by statute enacted after December
 13 31, 1973. Before recommending such an increase, the local
 14 government tax control board shall consider all other revenues
 15 available to the civil taxing unit that could be applied for that
 16 purpose. The maximum aggregate levy increases that the local
 17 government tax control board may recommend for a particular
 18 court equals the civil taxing unit's estimate of the unit's share of
 19 the costs of operating a court for the first full calendar year in
 20 which it is in existence. For purposes of this subdivision, costs of
 21 operating a court include:
- 22 (A) the cost of personal services (including fringe benefits);
 - 23 (B) the cost of supplies; and
 - 24 (C) any other cost directly related to the operation of the court.
- 25 (3) Permission to the civil taxing unit to increase its levy in excess
 26 of the limitations established under section 3 of this chapter, if the
 27 local government tax control board finds that the quotient
 28 determined under STEP SIX of the following formula is equal to
 29 or greater than one and two-hundredths (1.02):
- 30 STEP ONE: Determine the three (3) calendar years that most
 31 immediately precede the ensuing calendar year and in which
 32 a statewide general reassessment of real property **or the initial**
 33 **annual adjustment of the assessed value of real property**
 34 **under IC 6-1.1-4-4.5** does not first become effective.
- 35 STEP TWO: Compute separately, for each of the calendar
 36 years determined in STEP ONE, the quotient (rounded to the
 37 nearest ten-thousandth (0.0001)) of the sum of the civil taxing
 38 unit's total assessed value of all taxable property and the total
 39 assessed value of property tax deductions in the unit under
 40 IC 6-1.1-12-41 or IC 6-1.1-12-42 in the particular calendar
 41 year, divided by the sum of the civil taxing unit's total assessed
 42 value of all taxable property and the total assessed value of
 43 property tax deductions in the unit under IC 6-1.1-12-41 or
 44 IC 6-1.1-12-42 in the calendar year immediately preceding the
 45 particular calendar year.
- 46 STEP THREE: Divide the sum of the three (3) quotients
 47 computed in STEP TWO by three (3).
- 48 STEP FOUR: Compute separately, for each of the calendar
 49 years determined in STEP ONE, the quotient (rounded to the
 50 nearest ten-thousandth (0.0001)) of the sum of the total
 51 assessed value of all taxable property in all counties and the

- 1 total assessed value of property tax deductions in all counties
 2 under IC 6-1.1-12-41 or IC 6-1.1-12-42 in the particular
 3 calendar year, divided by the sum of the total assessed value
 4 of all taxable property in all counties and the total assessed
 5 value of property tax deductions in all counties under
 6 IC 6-1.1-12-41 or IC 6-1.1-12-42 in the calendar year
 7 immediately preceding the particular calendar year.
- 8 STEP FIVE: Divide the sum of the three (3) quotients
 9 computed in STEP FOUR by three (3).
- 10 STEP SIX: Divide the STEP THREE amount by the STEP
 11 FIVE amount.
- 12 The civil taxing unit may increase its levy by a percentage not
 13 greater than the percentage by which the STEP THREE amount
 14 exceeds the percentage by which the civil taxing unit may
 15 increase its levy under section 3 of this chapter based on the
 16 assessed value growth quotient determined under section 2 of this
 17 chapter.
- 18 (4) Permission to the civil taxing unit to increase its levy in excess
 19 of the limitations established under section 3 of this chapter, if the
 20 local government tax control board finds that the civil taxing unit
 21 needs the increase to pay the costs of furnishing fire protection for
 22 the civil taxing unit through a volunteer fire department. For
 23 purposes of determining a township's need for an increased levy,
 24 the local government tax control board shall not consider the
 25 amount of money borrowed under IC 36-6-6-14 during the
 26 immediately preceding calendar year. However, any increase in
 27 the amount of the civil taxing unit's levy recommended by the
 28 local government tax control board under this subdivision for the
 29 ensuing calendar year may not exceed the lesser of:
- 30 (A) ten thousand dollars (\$10,000); or
 31 (B) twenty percent (20%) of:
- 32 (i) the amount authorized for operating expenses of a
 33 volunteer fire department in the budget of the civil taxing
 34 unit for the immediately preceding calendar year; plus
 35 (ii) the amount of any additional appropriations authorized
 36 during that calendar year for the civil taxing unit's use in
 37 paying operating expenses of a volunteer fire department
 38 under this chapter; minus
 39 (iii) the amount of money borrowed under IC 36-6-6-14
 40 during that calendar year for the civil taxing unit's use in
 41 paying operating expenses of a volunteer fire department.
- 42 (5) Permission to a civil taxing unit to increase its levy in excess
 43 of the limitations established under section 3 of this chapter in
 44 order to raise revenues for pension payments and contributions
 45 the civil taxing unit is required to make under IC 36-8. The
 46 maximum increase in a civil taxing unit's levy that may be
 47 recommended under this subdivision for an ensuing calendar year
 48 equals the amount, if any, by which the pension payments and
 49 contributions the civil taxing unit is required to make under
 50 IC 36-8 during the ensuing calendar year exceeds the product of
 51 one and one-tenth (1.1) multiplied by the pension payments and

1 contributions made by the civil taxing unit under IC 36-8 during
 2 the calendar year that immediately precedes the ensuing calendar
 3 year. For purposes of this subdivision, "pension payments and
 4 contributions made by a civil taxing unit" does not include that
 5 part of the payments or contributions that are funded by
 6 distributions made to a civil taxing unit by the state.

7 (6) Permission to increase its levy in excess of the limitations
 8 established under section 3 of this chapter if the local government
 9 tax control board finds that:

10 (A) the township's township assistance ad valorem property
 11 tax rate is less than one and sixty-seven hundredths cents
 12 (\$0.0167) per one hundred dollars (\$100) of assessed
 13 valuation; and

14 (B) the township needs the increase to meet the costs of
 15 providing township assistance under IC 12-20 and IC 12-30-4.
 16 The maximum increase that the board may recommend for a
 17 township is the levy that would result from an increase in the
 18 township's township assistance ad valorem property tax rate of
 19 one and sixty-seven hundredths cents (\$0.0167) per one hundred
 20 dollars (\$100) of assessed valuation minus the township's ad
 21 valorem property tax rate per one hundred dollars (\$100) of
 22 assessed valuation before the increase.

23 (7) Permission to a civil taxing unit to increase its levy in excess
 24 of the limitations established under section 3 of this chapter if:

25 (A) the increase has been approved by the legislative body of
 26 the municipality with the largest population where the civil
 27 taxing unit provides public transportation services; and

28 (B) the local government tax control board finds that the civil
 29 taxing unit needs the increase to provide adequate public
 30 transportation services.

31 The local government tax control board shall consider tax rates
 32 and levies in civil taxing units of comparable population, and the
 33 effect (if any) of a loss of federal or other funds to the civil taxing
 34 unit that might have been used for public transportation purposes.
 35 However, the increase that the board may recommend under this
 36 subdivision for a civil taxing unit may not exceed the revenue that
 37 would be raised by the civil taxing unit based on a property tax
 38 rate of one cent (\$0.01) per one hundred dollars (\$100) of
 39 assessed valuation.

40 (8) Permission to a civil taxing unit to increase the unit's levy in
 41 excess of the limitations established under section 3 of this
 42 chapter if the local government tax control board finds that:

43 (A) the civil taxing unit is:

44 (i) a county having a population of more than one hundred
 45 forty-eight thousand (148,000) but less than one hundred
 46 seventy thousand (170,000);

47 (ii) a city having a population of more than fifty-five
 48 thousand (55,000) but less than fifty-nine thousand (59,000);

49 (iii) a city having a population of more than twenty-eight
 50 thousand seven hundred (28,700) but less than twenty-nine
 51 thousand (29,000);

- 1 (iv) a city having a population of more than fifteen thousand
- 2 four hundred (15,400) but less than sixteen thousand six
- 3 hundred (16,600); or
- 4 (v) a city having a population of more than seven thousand
- 5 (7,000) but less than seven thousand three hundred (7,300);
- 6 and

7 (B) the increase is necessary to provide funding to undertake
 8 removal (as defined in IC 13-11-2-187) and remedial action
 9 (as defined in IC 13-11-2-185) relating to hazardous
 10 substances (as defined in IC 13-11-2-98) in solid waste
 11 disposal facilities or industrial sites in the civil taxing unit that
 12 have become a menace to the public health and welfare.

13 The maximum increase that the local government tax control
 14 board may recommend for such a civil taxing unit is the levy that
 15 would result from a property tax rate of six and sixty-seven
 16 hundredths cents (\$0.0667) for each one hundred dollars (\$100)
 17 of assessed valuation. For purposes of computing the ad valorem
 18 property tax levy limit imposed on a civil taxing unit under
 19 section 3 of this chapter, the civil taxing unit's ad valorem
 20 property tax levy for a particular year does not include that part of
 21 the levy imposed under this subdivision. In addition, a property
 22 tax increase permitted under this subdivision may be imposed for
 23 only two (2) calendar years.

24 (9) Permission for a county:

25 (A) having a population of more than eighty thousand (80,000)
 26 but less than ninety thousand (90,000) to increase the county's
 27 levy in excess of the limitations established under section 3 of
 28 this chapter, if the local government tax control board finds
 29 that the county needs the increase to meet the county's share of
 30 the costs of operating a jail or juvenile detention center,
 31 including expansion of the facility, if the jail or juvenile
 32 detention center is opened after December 31, 1991;

33 (B) that operates a county jail or juvenile detention center that
 34 is subject to an order that:

- 35 (i) was issued by a federal district court; and
- 36 (ii) has not been terminated;

37 (C) that operates a county jail that fails to meet:

- 38 (i) American Correctional Association Jail Construction
- 39 Standards; and
- 40 (ii) Indiana jail operation standards adopted by the
- 41 department of correction; or

42 (D) that operates a juvenile detention center that fails to meet
 43 standards equivalent to the standards described in clause (C)
 44 for the operation of juvenile detention centers.

45 Before recommending an increase, the local government tax
 46 control board shall consider all other revenues available to the
 47 county that could be applied for that purpose. An appeal for
 48 operating funds for a jail or a juvenile detention center shall be
 49 considered individually, if a jail and juvenile detention center are
 50 both opened in one (1) county. The maximum aggregate levy
 51 increases that the local government tax control board may

1 recommend for a county equals the county's share of the costs of
 2 operating the jail or a juvenile detention center for the first full
 3 calendar year in which the jail or juvenile detention center is in
 4 operation.

5 (10) Permission for a township to increase its levy in excess of the
 6 limitations established under section 3 of this chapter, if the local
 7 government tax control board finds that the township needs the
 8 increase so that the property tax rate to pay the costs of furnishing
 9 fire protection for a township, or a portion of a township, enables
 10 the township to pay a fair and reasonable amount under a contract
 11 with the municipality that is furnishing the fire protection.
 12 However, for the first time an appeal is granted the resulting rate
 13 increase may not exceed fifty percent (50%) of the difference
 14 between the rate imposed for fire protection within the
 15 municipality that is providing the fire protection to the township
 16 and the township's rate. A township is required to appeal a second
 17 time for an increase under this subdivision if the township wants
 18 to further increase its rate. However, a township's rate may be
 19 increased to equal but may not exceed the rate that is used by the
 20 municipality. More than one (1) township served by the same
 21 municipality may use this appeal.

22 (11) Permission for a township to increase its levy in excess of the
 23 limitations established under section 3 of this chapter, if the local
 24 government tax control board finds that the township has been
 25 required, for the three (3) consecutive years preceding the year for
 26 which the appeal under this subdivision is to become effective, to
 27 borrow funds under IC 36-6-6-14 to furnish fire protection for the
 28 township or a part of the township. However, the maximum
 29 increase in a township's levy that may be allowed under this
 30 subdivision is the least of the amounts borrowed under
 31 IC 36-6-6-14 during the preceding three (3) calendar years. A
 32 township may elect to phase in an approved increase in its levy
 33 under this subdivision over a period not to exceed three (3) years.
 34 A particular township may appeal to increase its levy under this
 35 section not more frequently than every fourth calendar year.

36 (12) Permission to a city having a population of more than
 37 twenty-nine thousand (29,000) but less than thirty-one thousand
 38 (31,000) to increase its levy in excess of the limitations
 39 established under section 3 of this chapter if:

40 (A) an appeal was granted to the city under this section to
 41 reallocate property tax replacement credits under IC 6-3.5-1.1
 42 in 1998, 1999, and 2000; and

43 (B) the increase has been approved by the legislative body of
 44 the city, and the legislative body of the city has by resolution
 45 determined that the increase is necessary to pay normal
 46 operating expenses.

47 The maximum amount of the increase is equal to the amount of
 48 property tax replacement credits under IC 6-3.5-1.1 that the city
 49 petitioned under this section to have reallocated in 2001 for a
 50 purpose other than property tax relief.

51 SECTION 3. [EFFECTIVE JANUARY 1, 2007 (RETROACTIVE)]

- 1 **(a) This SECTION applies to property that:**
 2 **(1) is located in Vermillion County;**
 3 **(2) is used and owned by Ferguson Recreation Park, Inc.; and**
 4 **(3) the auditor of Vermillion County, in a reversal of past**
 5 **county practice, determined to be not eligible for a property**
 6 **tax exemption under IC 6-1.1-10-16 for property taxes first**
 7 **due and payable in 2007.**
 8 **(b) Notwithstanding any other law, the auditor of Vermillion**
 9 **County shall:**
 10 **(1) waive the 2006 determination of the county auditor; and**
 11 **(2) grant the appropriate exemption.**
 12 **(c) A property tax exemption granted under this SECTION**
 13 **applies to property taxes first due and payable in 2007.**
 14 **(d) The general assembly finds that:**
 15 **(1) the property described in this SECTION was previously**
 16 **determined by the auditor of Vermillion County to be eligible**
 17 **to receive a property tax exemption under IC 6-1.1-10-16;**
 18 **(2) the interest of taxpayer fairness requires a restoration of**
 19 **the property tax exemptions for the property that have been**
 20 **denied for property taxes first due and payable in 2007; and**
 21 **(3) the absence of other remedies for the taxpayers requires**
 22 **legislative action.**
 23 **(e) This SECTION expires December 31, 2007.**

24 SECTION 4. [EFFECTIVE JANUARY 1, 2007 (RETROACTIVE)]

- 25 **(a) This SECTION applies to property that:**
 26 **(1) is located in Vermillion County;**
 27 **(2) is used and owned by Blandford Sports Club;**
 28 **(3) the auditor of Vermillion County, in a reversal of past**
 29 **county practice, determined to be not eligible for a property**
 30 **tax exemption under IC 6-1.1-10-16 for property taxes first**
 31 **due and payable in 2007; and**
 32 **(4) was subject to a petition to the Indiana board of tax review**
 33 **that was denied by the Indiana board of tax review because**
 34 **the petitioner's Form 132 was untimely filed.**
 35 **(b) Notwithstanding any other law, the auditor of the county in**
 36 **which the property described in subsection (a) is located shall:**
 37 **(1) waive the 2006 determination of the county auditor;**
 38 **(2) disregard the determination of the Indiana board of tax**
 39 **review; and**
 40 **(3) grant the appropriate exemption.**
 41 **(c) A property tax exemption granted under this SECTION**
 42 **applies to property taxes first due and payable in 2007.**
 43 **(d) The general assembly finds that:**
 44 **(1) the property described in this SECTION was previously**
 45 **determined by the auditor of Vermillion County to be eligible**
 46 **to receive a property tax exemption under IC 6-1.1-10-16;**
 47 **(2) the interest of taxpayer fairness requires a restoration of**
 48 **the property tax exemptions for the property that have been**
 49 **denied for property taxes first due and payable in 2007; and**
 50 **(3) the absence of other remedies for the taxpayers requires**
 51 **legislative action.**

1 (e) This SECTION expires December 31, 2007.

2 SECTION 5. [EFFECTIVE JANUARY 1, 2007 (RETROACTIVE)]

3 (a) This SECTION applies to property that:

4 (1) is located in Vermillion County;

5 (2) is used and owned by the Universal Young Men's Club;
6 and

7 (3) the auditor of Vermillion County, in a reversal of past
8 county practice, determined to be not eligible for a property
9 tax exemption under IC 6-1.1-10-16 for property taxes first
10 due and payable in 2007.

11 (b) Notwithstanding any other law, the auditor of Vermillion
12 County shall:

13 (1) waive the 2006 determination of the county auditor; and

14 (2) grant the appropriate exemption.

15 (c) A property tax exemption granted under this SECTION
16 applies to property taxes first due and payable in 2007.

17 (d) The general assembly finds that:

18 (1) the property described in this SECTION was previously
19 determined by the auditor of Vermillion County to be eligible
20 to receive a property tax exemption under IC 6-1.1-10-16;

21 (2) the interest of taxpayer fairness requires a restoration of
22 the property tax exemptions for the property that have been
23 denied for property taxes first due and payable in 2007; and

24 (3) the absence of other remedies for the taxpayers requires
25 legislative action.

26 (e) This SECTION expires December 31, 2007.

27 SECTION 6. [EFFECTIVE JANUARY 1, 2007 (RETROACTIVE)]

28 (a) This SECTION applies notwithstanding the following:

29 (1) IC 6-1.1-3-7.5.

30 (2) IC 6-1.1-10-31.1.

31 (3) IC 6-1.1-11.

32 (4) 50 IAC 4.2-2.

33 (5) 50 IAC 4.2-3.

34 (6) 50 IAC 4.2-11.

35 (7) 50 IAC 4.2-12.

36 (8) All of the following as in effect before being voided by
37 IC 6-1.1-3-22:

38 (A) 50 IAC 4.3-2.

39 (B) 50 IAC 4.3-3.

40 (C) 50 IAC 4.3-11.

41 (D) 50 IAC 4.3-12.

42 (9) 50 IAC 16.

43 (b) As used in this SECTION, "amended return" means an
44 amended personal property tax return submitted for filing by a
45 taxpayer after December 31, 2006, and before March 1, 2007, for
46 the assessment dates.

47 (c) As used in this SECTION, "assessment dates" refers to
48 assessment dates (as defined in IC 6-1.1-1-2(1)) in 2002, 2003, and
49 2004.

50 (d) As used in this SECTION, "return" refers to the personal
51 property tax return required under IC 6-1.1-3-7.

- 1 (e) As used in this SECTION, "taxpayer" means a taxpayer
2 that:
- 3 (1) filed original returns under IC 6-1.1-3-7 for the assessment
4 dates; and
5 (2) submitted for filing amended returns for the assessment
6 dates.
- 7 (f) The amended returns:
8 (1) are allowed; and
9 (2) are considered to have been timely filed.
- 10 (g) A taxpayer is entitled to the exemptions for tangible personal
11 property claimed on:
12 (1) Schedule B of the amended returns; and
13 (2) the Form 103-W filed with the amended returns.
- 14 (h) Any notice of increased assessed value issued by a township
15 assessor with respect to personal property that is the subject of an
16 amended return is considered withdrawn and nullified.
- 17 (i) IC 6-1.1-37-7, IC 6-1.1-37-9, and IC 6-1.1-37-10 do not apply
18 to any additional personal property taxes owed by a taxpayer as a
19 result of filing an amended return.
- 20 (j) A taxpayer is not entitled to a refund with respect to any
21 amended return filed by the taxpayer under this SECTION.
- 22 (k) This SECTION expires July 1, 2008.
- 23 SECTION 7. [EFFECTIVE JANUARY 1, 2001 (RETROACTIVE)]
- 24 (a) The definitions in IC 6-1.1-1 apply to this SECTION.
- 25 (b) This SECTION applies only to an entity that meets all of the
26 following conditions:
27 (1) The entity is:
28 (A) a nonprofit corporation that is organized for
29 educational, literary, scientific, religious, or charitable
30 purposes; or
31 (B) a local chapter of a nonprofit corporation referred to
32 in clause (A).
- 33 (2) For the assessment date in a calendar year after 2000:
34 (A) tangible property owned by the entity was, except for
35 the entity's failure to timely file an application under
36 IC 6-1.1-11 for property tax exemption, otherwise eligible
37 for an exemption;
38 (B) the entity failed to timely file an application under
39 IC 6-1.1-11 for property tax exemption for the tangible
40 property for the assessment date; and
41 (C) the entity's tangible property was subject to taxation
42 for the assessment date.
- 43 (3) The tangible property, or other property owned by the
44 entity in the same county, was exempt from taxation in either:
45 (A) the calendar year before the year containing the
46 assessment date described in subdivision (2); or
47 (B) the calendar year two (2) years before the year
48 containing the assessment date described in subdivision (2).
- 49 (c) Notwithstanding any provision of IC 6-1.1-11 or any other
50 law specifying the date by which an application for property tax
51 exemption must be filed to claim an exemption for a particular

1 **assessment date, an entity described in subsection (b) may before**
2 **January 1, 2008, file with the county assessor an application for**
3 **property tax exemption for an assessment date described in**
4 **subsection (b)(2).**

5 **(d) Notwithstanding any provision of IC 6-1.1-11 or any other**
6 **law, an application for property tax exemption filed under**
7 **subsection (c) is considered to be timely filed, and the county**
8 **property tax assessment board of appeals shall grant an exemption**
9 **claimed for the assessment date on the application upon the county**
10 **property tax assessment board of appeals's determination that:**

11 **(1) the entity's application for property tax exemption satisfies**
12 **all other applicable requirements; and**

13 **(2) the entity's tangible property was, except for the failure to**
14 **timely file an application for property tax exemption,**
15 **otherwise eligible for the claimed exemption.**

16 **(e) If an entity has previously paid the tax liability for tangible**
17 **property for an assessment date and the property is granted an**
18 **exemption under this SECTION for that assessment date, the**
19 **county auditor shall issue a refund of the property tax paid by the**
20 **entity. An entity is not required to apply for any refund due under**
21 **this SECTION. The county auditor shall, without an appropriation**
22 **being required, issue a warrant to the entity payable from the**
23 **county general fund for the amount of the refund, if any, due the**
24 **entity. No interest is payable on the refund.**

25 **(f) This SECTION expires January 1, 2009.**

26 **SECTION 8. [EFFECTIVE UPON PASSAGE] IC 6-1.1-10-16, as**
27 **amended by this act, applies only to property taxes first due and**
28 **payable after 2007.**

29 **SECTION 9. An emergency is declared for this act.**

 (Reference is to EHB 1767 as printed March 30, 2007.)

Conference Committee Report
on
Engrossed House Bill 1767

Signed by:

Representative Smith V
Chairperson

Senator Kenley

Representative Smith M

Senator Rogers

House Conferees

Senate Conferees