



January 25, 2008

SENATE BILL No. 267

DIGEST OF SB 267 (Updated January 24, 2008 11:50 am - DI 73)

Citations Affected: Noncode.

Synopsis: Income tax deduction for property tax. Provides that an individual may claim a deduction for state income tax purposes for property taxes that: (1) were imposed on the individual's principal place of residence for the March 1, 2006, assessment date or the January 15, 2007, assessment date; (2) are due after December 31, 2007; and (3) are paid in 2008 on or before the due date for the property taxes.

Effective: January 1, 2008 (retroactive).

Charbonneau, Rogers, Zakas

January 10, 2008, read first time and referred to Committee on Appropriations.
January 24, 2008, amended, reported favorably — Do Pass.

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SB 267—LS 6696/DI 73+



January 25, 2008

Second Regular Session 115th General Assembly (2008)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2007 Regular Session of the General Assembly.

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SENATE BILL No. 267

A BILL FOR AN ACT concerning taxation.

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

- 1 SECTION 1. [EFFECTIVE JANUARY 1, 2008 (RETROACTIVE)]
2 (a) This SECTION applies only to an individual that in 2008 paid
3 property taxes that:
4 (1) were imposed on the individual's principal place of
5 residence for the March 1, 2006, assessment date or the
6 January 15, 2007, assessment date;
7 (2) are due after December 31, 2007; and
8 (3) are paid on or before the due date for the property taxes.
9 (b) As used in this SECTION, "adjusted gross income" has the
10 meaning set forth in IC 6-3-1-3.5.
11 (c) An individual described in subsection (a) is entitled to a
12 deduction from adjusted gross income for a taxable year beginning
13 after December 31, 2007, and before January 1, 2009, in an amount
14 equal to the amount determined in the following STEPS:
15 STEP ONE: Determine the lesser of:
16 (1) two thousand five hundred dollars (\$2,500); or
17 (2) the total amount of property taxes imposed on the
18 individual's principal place of residence for the March 1,

SB 267—LS 6696/DI 73+



1 **2006, assessment date or the January 15, 2007, assessment**
 2 **date and paid in 2007 or 2008.**
 3 **STEP TWO: Determine the greater of zero (0) or the result**
 4 **of:**
 5 **(1) the STEP ONE result; minus**
 6 **(2) the total amount of property taxes that:**
 7 **(A) were imposed on the individual's principal place of**
 8 **residence for the March 1, 2006, assessment date or the**
 9 **January 15, 2007, assessment date;**
 10 **(B) were paid in 2007; and**
 11 **(C) were deducted from adjusted gross income under**
 12 **IC 6-3-1-3.5(a)(17) by the individual on the individual's**
 13 **state income tax return for a taxable year beginning**
 14 **before January 1, 2008.**
 15 **(d) The deduction under this SECTION is in addition to any**
 16 **deduction that an individual is otherwise entitled to claim under**
 17 **IC 6-3-1-3.5(a)(17). However, an individual may not deduct under**
 18 **IC 6-3-1-3.5(a)(17) any property taxes deducted under this**
 19 **SECTION.**
 20 **SECTION 2. An emergency is declared for this act.**

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SENATE MOTION

Madam President: I move that Senator Rogers be added as coauthor of Senate Bill 267.

CHARBONNEAU

SENATE MOTION

Madam President: I move that Senator Zakas be added as coauthor of Senate Bill 267.

CHARBONNEAU

COMMITTEE REPORT

Madam President: The Senate Committee on Appropriations, to which was referred Senate Bill No. 267, 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:

Page 1, delete lines 1 through 18, begin a new paragraph and insert: "SECTION 1. [EFFECTIVE JANUARY 1, 2008 (RETROACTIVE)] (a) This SECTION applies only to an individual that in 2008 paid property taxes that:

- (1) were imposed on the individual's principal place of residence for the March 1, 2006, assessment date or the January 15, 2007, assessment date;
- (2) are due after December 31, 2007; and
- (3) are paid on or before the due date for the property taxes.

(b) As used in this SECTION, "adjusted gross income" has the meaning set forth in IC 6-3-1-3.5.

(c) An individual described in subsection (a) is entitled to a deduction from adjusted gross income for a taxable year beginning after December 31, 2007, and before January 1, 2009, in an amount equal to the amount determined in the following STEPS:

STEP ONE: Determine the lesser of:

- (1) two thousand five hundred dollars (\$2,500); or
- (2) the total amount of property taxes imposed on the individual's principal place of residence for the March 1, 2006, assessment date or the January 15, 2007, assessment date and paid in 2007 or 2008.

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STEP TWO: Determine the greater of zero (0) or the result of:

- (1) the STEP ONE result; minus**
- (2) the total amount of property taxes that:**
 - (A) were imposed on the individual's principal place of residence for the March 1, 2006, assessment date or the January 15, 2007, assessment date;**
 - (B) were paid in 2007; and**
 - (C) were deducted from adjusted gross income under IC 6-3-1-3.5(a)(17) by the individual on the individual's state income tax return for a taxable year beginning before January 1, 2008.**

(d) The deduction under this SECTION is in addition to any deduction that an individual is otherwise entitled to claim under IC 6-3-1-3.5(a)(17). However, an individual may not deduct under IC 6-3-1-3.5(a)(17) any property taxes deducted under this SECTION."

Page 2, delete lines 1 through 11.

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to SB 267 as introduced.)

MEEKS, Chairperson

Committee Vote: Yeas 12, Nays 0.

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