
HOUSE BILL No. 1079

DIGEST OF INTRODUCED BILL

Citations Affected: IC 6-1.1-21.3.

Synopsis: Payments in lieu of taxes. Requires the department of natural resources (DNR) beginning in 2012 to make a semiannual payment in lieu of property taxes (PILOT) for parcels of land that: (1) consist of at least 100 acres; (2) are owned or leased by the DNR; (3) used as a state park; and (4) are subject to an exemption from property taxes. Allows a county and a conservancy district in which land owned by the DNR is located to collect a PILOT. Provides that for purposes of calculating a PILOT, the land is considered to have an assessed value of 1/3 of the statewide agricultural land value base. Establishes the PILOT transfer account within the state general fund. Appropriates from the state general fund to the PILOT transfer account the amount necessary to make required distributions to counties and conservancy districts.

Effective: July 1, 2009.

Grubb, Saunders

January 7, 2009, read first time and referred to Committee on Ways and Means.

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First Regular Session 116th General Assembly (2009)

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 2008 Regular Session of the General Assembly.

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HOUSE BILL No. 1079



A BILL FOR AN ACT to amend the Indiana Code concerning taxation and to make an appropriation.

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

1 SECTION 1. IC 6-1.1-21.3 IS ADDED TO THE INDIANA CODE
2 AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2009]:

4 **Chapter 21.3. Payments in Lieu of Property Taxes**
5 **Sec. 1. A PILOT is initially due under this chapter for property**
6 **taxes first due and payable after December 31, 2011.**

7 **Sec. 2. As used in this chapter, "department" refers to the**
8 **department of natural resources.**

9 **Sec. 3. As used in this chapter, "PILOT" refers to a payment in**
10 **lieu of taxes.**

11 **Sec. 4. As used in this chapter, "statewide agricultural land**
12 **value base" means the statewide land value base for one (1) acre of**
13 **agricultural land, as determined by the department of local**
14 **government finance and in effect on March 1 of the year**
15 **immediately preceding the year in which a PILOT is due and**
16 **payable under this chapter.**

17 **Sec. 5. (a) The following are authorized to collect a PILOT from**



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the department:

(1) A county in which land described in subsection (b) is located.

(2) A conservancy district in which land described in subsection (b) is located.

(b) Beginning in 2012, the department shall make a PILOT on May 1 and November 1 of each year with respect to each parcel of land that:

(1) consists of at least one hundred (100) acres;

(2) was owned or leased by the department on March 1 of the previous year;

(3) is used as a state park; and

(4) is subject to an exemption from property taxes.

Sec. 6. The PILOT paid under section 5 of this chapter equals the amount of property taxes that would have been levied upon the land described in section 5(b) of this chapter if the land were assigned an assessed value equal to the product of:

(1) the number of acres included in the parcel of land; multiplied by

(2) thirty-three and one-third percent (33 1/3%) of the statewide agricultural land value base.

Sec. 7. Not later than September 1 of each year, the auditor of state shall provide the county assessor of each county in which land described in section 5(b) of this chapter is located with a report of:

(1) the number of acres of land described in section 5(b) of this chapter that are located in the county; and

(2) any other information required by the department of local government finance;

on a form prescribed by the department of local government finance. However, with the consent of the department of local government finance, the auditor of state may distribute the information required under this section in an electronic format.

Sec. 8. A PILOT is billed, is due, bears interest if unpaid, and is distributed to a political subdivision described in section 5(a) of this chapter in the same manner as ad valorem taxes on property. A PILOT is treated in the same manner as a property tax for purposes of the procedural and substantive provisions of law.

Sec. 9. The department of local government finance shall prescribe a form for the transfer of information required under section 7 of this chapter. The department of local government finance may adopt standards for the transfer of information under section 7 of this chapter that are necessary to assist counties and

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1 conservancy districts with the implementation of this chapter.
 2 **Sec. 10. (a)** The PILOT transfer account is established within
 3 the state general fund to provide money for the distributions of
 4 PILOTS under section 8 of this chapter. The account is
 5 administered by the auditor of state.
 6 **(b)** Expenses of administering the account are paid from money
 7 in the account.
 8 **(c)** The treasurer of state shall invest the money in the account
 9 not currently needed to meet the obligations of the account in the
 10 same manner as other public money may be invested.
 11 **(d)** Money in the account at the end of a state fiscal year does
 12 not revert to the state general fund.
 13 **(e)** There is annually appropriated from the state general fund
 14 to the account the amount necessary to make the distributions
 15 under section 8 of this chapter.
 16 **(f)** There is continuously appropriated from the account an
 17 amount necessary to make the distributions under section 8 of this
 18 chapter.
 19 **Sec. 11.** The department shall prescribe a form for reporting the
 20 information required under section 7 of this chapter.

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