



Reprinted  
February 2, 2010

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## HOUSE BILL No. 1086

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DIGEST OF HB 1086 (Updated February 1, 2010 7:30 pm - DI 51)

**Citations Affected:** IC 5-14; IC 6-1.1; IC 6-3.5; IC 6-9; IC 12-20; IC 14-33; IC 20-46; IC 20-49; IC 34-30; IC 36-9; noncode.

**Synopsis:** Tax and expenditure administration. Requires the auditor of state, working with the office of technology, to develop and maintain an Internet web site detailing all state expenditures by state agencies. Requires state agencies to provide information to the auditor of state and to develop links on agency Internet web sites to the auditor's expenditure Internet web site. Changes the method for computing the base value of agricultural land for the March 1, 2011, assessment date. Specifies that the use of a cash balance to reduce a property tax rate does not reduce a civil taxing unit's maximum permissible levy. Permits an individual to receive both a senior citizen property tax deduction and a supplemental standard deduction. Requires payment of certain delinquent property taxes before removing property from the tax sale list or allowing a person to record a plat of a subdivision or consolidate contiguous parcels into a single parcel for property tax purposes. Changes the deadline for filing a rehabilitation property tax  
(Continued next page)

**Effective:** Upon passage; March 1, 2008 (retroactive); January 1, 2009 (retroactive); January 1, 2010 (retroactive); March 1, 2010 (retroactive); July 1, 2010; January 1, 2011.

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### Welch, Turner, Crawford, Espich

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January 5, 2010, read first time and referred to Committee on Rules and Legislative Procedures.  
January 28, 2010, amended, reported — Do Pass.  
February 1, 2010, read second time, amended, ordered engrossed.

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deduction application. Extends the time in which an ordinance imposing, increasing, or decreasing a local income tax may be adopted. Permits fire protection territories to delay part of an increase in property taxes for up to three years. Requires surplus local option income tax revenue to be used as property tax replacement credits. Defines the term "mobile home community" for the purposes of the property tax laws. Corrects references to the definition of homestead, removes references to obsolete administrative rules related to inventory, and makes other technical changes property tax laws. Describes various solar heating and cooling systems that are eligible for the deduction. Changes the method by which solar heating and cooling systems are valued for purposes of a property tax deduction. Indicates that a mobile home owner does not need to annually file for a solar heating and cooling system exemption. Provides for a study of the allocation and distribution of local income taxes and for the preparation of corrective legislation to amend all laws affected by the change in the last date that local taxes can be imposed, increased, or decreased in a county.

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Second Regular Session 116th General Assembly (2010)

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 2009 Regular and Special Sessions of the General Assembly.

## HOUSE BILL No. 1086

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A BILL FOR AN ACT to amend the Indiana Code concerning state and local administration.

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

1 SECTION 1. IC 5-14-3.5 IS ADDED TO THE INDIANA CODE  
2 AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE  
3 UPON PASSAGE]:

4 **Chapter 3.5. Access to Financial Data**

5 **Sec. 1. As used in this chapter, "state agency" means an**  
6 **authority, a board, a branch, a commission, a committee, a**  
7 **department, a division, or another instrumentality of government,**  
8 **including the administrative branch of state government, the**  
9 **legislative branch of state government, the judicial branch of state**  
10 **government, and state educational institutions.**

11 **Sec. 2. Not later than July 1, 2010, the auditor of state shall**  
12 **begin to work with the office of technology established by**  
13 **IC 4-13.1-2-1 to establish and post on the Internet a data base web**  
14 **site of state expenditures and account balances, including**  
15 **expenditures for contracts and grants, that is electronically**  
16 **searchable by the public. The data base must include for each state**  
17 **agency:**

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- 1           (1) the amount, date, payer, and payee of expenditures;
- 2           (2) a listing of state expenditures by:
- 3                 (A) personal services;
- 4                 (B) other operating expenses; or
- 5                 (C) total operating expenses;
- 6           to reflect how the funds were appropriated in the state budget
- 7           act; and
- 8           (3) a listing of state account balances.

9           **Sec. 3. To the extent possible, the auditor of state shall present**  
 10 **information in the data base established under this chapter in a**  
 11 **manner that is searchable and intuitive to users. The auditor of**  
 12 **state shall enhance and organize the presentation of the**  
 13 **information through the use of graphic representations, including**  
 14 **pie charts, if the auditor of state considers graphics appropriate.**  
 15 **The data base must allow users to:**

- 16                 (1) search and aggregate state funding by each element of the
- 17                 data on the Internet web site;
- 18                 (2) ascertain through a single search the total amount of state
- 19                 funding awarded or paid to a person by a state agency; and
- 20                 (3) download information yielded by a search of the data base.

21           **Sec. 4. (a) The auditor of state may not allow public access**  
 22 **under this section to:**

- 23                 (1) a payee's address, other than the county in which the
- 24                 payee is located;
- 25                 (2) personal information that is protected under state or
- 26                 federal law or rule; or
- 27                 (3) information that is protected as a trade secret under state
- 28                 or federal law or by rule.

29           **(b) The auditor of state may make information protected under**  
 30 **subsection (a) available in an aggregate format only.**

31           **Sec. 5. The auditor of state and employees of the auditor of state**  
 32 **are immune from any civil liability for posting confidential**  
 33 **information under section 4 of this chapter if the auditor of state**  
 34 **or an employee of the auditor of state posted the information in**  
 35 **reliance on a determination made by a state agency about the**  
 36 **confidentiality of information relating to the agency's expenditures**  
 37 **or account balances.**

38           **Sec. 6. To the extent any information required to be in the data**  
 39 **base is already being collected or maintained by a state agency, the**  
 40 **state agency shall provide that information to the auditor of state**  
 41 **for inclusion in the data base.**

42           **Sec. 7. The auditor of state may not charge a fee for access to**

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the data base.

**Sec. 8.** Except as provided in section 9 of this chapter, a state agency shall cooperate with and provide information to the auditor of state as necessary to implement and administer this chapter.

**Sec. 9.** This chapter does not require a state agency to record information or expend resources for the purpose of computer programming to make information reportable under this chapter.

**Sec. 10.** The office of technology established by IC 4-13.1-2-1 shall work with the auditor of state to include a link in the data base established under this chapter to the Internet web site of each Internet web site operated by:

- (1) the state; or
- (2) a state agency.

**Sec. 11.** Each state agency shall include a link on the agency's Internet web site to the data base established under this chapter.

**Sec. 12. (a)** The auditor of state and the office of technology shall initially complete the design of the Internet web site and establish and post the information required under this chapter for all state agencies other than state educational institutions.

**(b)** After completing the initial phase described in subsection (a), the auditor of state and the office of technology shall provide to each state educational institution a description of the data fields and data transfer standards and protocols developed during the initial phase. After consulting with each state educational institution, the auditor of state and the office of technology shall estimate the cost of including each state educational institution's data on the Internet web site. The auditor of state shall submit a report to the legislative council that specifies the cost, if any, that would be required for each state educational institution to comply with this chapter. The report to the legislative council must be in an electronic format under IC 5-14-6.

**(c)** After receiving the report required by subsection (b), the legislative council may determine whether a state educational institution can provide the information required by this chapter without expending resources as described in section 9 of this chapter. A state educational institution shall comply with the determination of the legislative council.

**Sec. 13.** Not later than November 1, 2011, the auditor of state shall provide a report to the state board of finance and the legislative council that details the state expenditures and account balances contained in the data base created under this chapter and the progress the auditor has made to comply with this chapter. The

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1 **report must include all state expenditures and account balances not**  
 2 **contained in the data base with a detailed summary explaining why**  
 3 **the state expenditures and account balances are not contained in**  
 4 **the data base. The report to the legislative council must be in an**  
 5 **electronic format under IC 5-14-6.**

6 SECTION 2. IC 6-1.1-1-8.8 IS ADDED TO THE INDIANA CODE  
 7 AS A **NEW SECTION TO READ AS FOLLOWS [EFFECTIVE**  
 8 **JANUARY 1, 2009 (RETROACTIVE)]: Sec. 8.8. "Mobile home**  
 9 **community" has the meaning set forth in IC 16-41-27-5.**

10 SECTION 3. IC 6-1.1-3-22 IS AMENDED TO READ AS  
 11 FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]:  
 12 Sec. 22. (a) Except to the extent that it conflicts with a statute and  
 13 subject to subsection (f), 50 IAC 4.2 (as in effect January 1, 2001),  
 14 which was formerly incorporated by reference into this section, is  
 15 reinstated as a rule.

16 (b) Tangible personal property within the scope of 50 IAC 4.2 (as  
 17 in effect January 1, 2001) shall be assessed on the assessment dates in  
 18 calendar years 2003 and thereafter in conformity with 50 IAC 4.2 (as  
 19 in effect January 1, 2001).

20 (c) The publisher of the Indiana Administrative Code shall publish  
 21 50 IAC 4.2 (as in effect January 1, 2001) in the Indiana Administrative  
 22 Code.

23 (d) 50 IAC 4.3 and any other rule to the extent that it conflicts with  
 24 this section is void.

25 (e) A reference in 50 IAC 4.2 to a governmental entity that has been  
 26 terminated or a statute that has been repealed or amended shall be  
 27 treated as a reference to its successor.

28 (f) The department of local government finance may not amend or  
 29 repeal the following (all as in effect January 1, 2001):

30 (1) 50 IAC 4.2-4-3(f).

31 (2) 50 IAC 4.2-4-7.

32 (3) 50 IAC 4.2-4-9.

33 ~~(4) 50 IAC 4.2-5-7.~~

34 ~~(5) 50 IAC 4.2-5-13.~~

35 ~~(6) (4) 50 IAC 4.2-6-1.~~

36 ~~(7) (5) 50 IAC 4.2-6-2.~~

37 ~~(8) (6) 50 IAC 4.2-8-9.~~

38 SECTION 4. IC 6-1.1-4-4.5, AS AMENDED BY P.L.136-2009,  
 39 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 40 JANUARY 1, 2011]: Sec. 4.5. (a) The department of local government  
 41 finance shall adopt rules establishing a system for annually adjusting  
 42 the assessed value of real property to account for changes in value in

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1 those years since a general reassessment of property last took effect.

2 (b) Subject to subsection (e), the system must be applied to adjust  
3 assessed values beginning with the 2006 assessment date and each year  
4 thereafter that is not a year in which a reassessment becomes effective.

5 (c) The rules adopted under subsection (a) must include the  
6 following characteristics in the system:

7 (1) Promote uniform and equal assessment of real property within  
8 and across classifications.

9 (2) Require that assessing officials:

10 (A) reevaluate the factors that affect value;

11 (B) express the interactions of those factors mathematically;

12 (C) use mass appraisal techniques to estimate updated property  
13 values within statistical measures of accuracy; and

14 (D) provide notice to taxpayers of an assessment increase that  
15 results from the application of annual adjustments.

16 (3) Prescribe procedures that permit the application of the  
17 adjustment percentages in an efficient manner by assessing  
18 officials.

19 (d) The department of local government finance must review and  
20 certify each annual adjustment determined under this section.

21 (e) **This subsection applies to an assessment date occurring**  
22 **before January 1, 2011, or after December 31, 2011.** In making the  
23 annual determination of the base rate to satisfy the requirement for an  
24 annual adjustment under subsection (a), the department of local  
25 government finance shall determine the base rate using the  
26 methodology reflected in Table 2-18 of Book 1, Chapter 2 of the  
27 department of local government finance's Real Property Assessment  
28 Guidelines (as in effect on January 1, 2005), except that the department  
29 shall adjust the methodology to use a six (6) year rolling average  
30 instead of a four (4) year rolling average.

31 (f) **This subsection applies to the assessment date occurring in**  
32 **2011. In making the annual determination of the base rate to**  
33 **satisfy the requirement for an annual adjustment under subsection**  
34 **(a), the department of local government finance shall do the**  
35 **following:**

36 (1) **Determine the base rate for the March 1, 2011, assessment**  
37 **date using the methodology reflected in Table 2-18 of Book 1,**  
38 **Chapter 2 of the department of local government finance's**  
39 **Real Property Assessment Guidelines (as in effect January 1,**  
40 **2005), except that the department shall adjust the**  
41 **methodology to use a six (6) year rolling average instead of a**  
42 **four (4) year rolling average.**

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**(2) Multiply the base rate determined under subdivision (1) for the March 1, 2011, assessment date by nine-tenths (0.9).**

**(f)(g)** For assessment dates after December 31, 2009, an adjustment in the assessed value of real property under this section shall be based on the estimated true tax value of the property on the assessment date that is the basis for taxes payable on that real property.

SECTION 5. IC 6-1.1-5-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. Except as provided in section 9 of this chapter, if any land is platted, the plat must be presented to the county auditor before it is recorded. **Subject to section 5.5 and 9 of this chapter**, the county auditor shall enter the lots or parcels described in the plat on the tax lists in lieu of the land included in the plat.

SECTION 6. IC 6-1.1-5-5.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5.5. (a) Before an owner records a transfer of an ownership interest in a parcel of real property that is created after the person became owner of the real property and is created either from a larger previously existing parcel or a combination of previously existing smaller parcels, the owner must submit, except as provided in section 9 of this chapter, the instrument transferring the real property to the county auditor to be entered for taxation.

(b) The county auditor, except as provided in section 9 of this chapter, shall endorse on the instrument "duly entered for taxation subject to final acceptance for transfer" or another endorsement authorized under section 4 of this chapter.

(c) A lien for and the duty to pay property taxes that are due and owing is not released or otherwise extinguished if a county auditor endorses an instrument of transfer under this section. Property taxes that are due and owing on the affected parcel of property may be collected as if the county auditor had not endorsed the instrument of transfer.

(d) Except as provided in section 9 of this chapter, before the county auditor may **enter or** transfer real property described in subsection (a) on the last assessment list, **enter lots or parcels described in a plat under section 3 of this chapter, consolidate parcels under section 16 of this chapter**, or apportion the assessed value of the real property among the owners the owner must pay or otherwise satisfy all property taxes for which the due date has passed as of the date of transfer on each of the parcels of real property from which the **platted, consolidated, or** transferred property is derived by paying the property tax to the county treasurer of the county in which the real property is

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1 located. The county auditor, ~~except as provided in~~ **subject to** section  
 2 9 of this chapter, may not apportion delinquent taxes described in this  
 3 subsection among the owners.

4 SECTION 7. IC 6-1.1-5-16 IS AMENDED TO READ AS  
 5 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 16. **(a) An action**  
 6 **under this section is subject to section 5.5 of this chapter.**

7 **(b)** If an owner of existing contiguous parcels makes a written  
 8 request that includes a legal description of the existing contiguous  
 9 parcels sufficient for the assessing official to identify each parcel and  
 10 the area of all contiguous parcels, the assessing official shall  
 11 consolidate more than one (1) existing contiguous parcel into a single  
 12 parcel to the extent that the existing contiguous parcels are in a single  
 13 taxing district and the same section. For existing contiguous parcels in  
 14 more than one (1) taxing district or one (1) section, the assessing  
 15 official shall, upon written request by the owner, consolidate the  
 16 existing contiguous parcels in each taxing district and each section into  
 17 a single parcel. An assessing official shall consolidate more than one  
 18 (1) existing contiguous parcel into a single parcel if the assessing  
 19 official has knowledge that an improvement to the real property is  
 20 located on or otherwise significantly affects the parcels.

21 SECTION 8. IC 6-1.1-12-9, AS AMENDED BY P.L.144-2008,  
 22 SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 23 MARCH 1, 2008 (RETROACTIVE)]: Sec. 9. (a) An individual may  
 24 obtain a deduction from the assessed value of the individual's real  
 25 property, or mobile home or manufactured home which is not assessed  
 26 as real property, if:

27 (1) the individual is at least sixty-five (65) years of age on or  
 28 before December 31 of the calendar year preceding the year in  
 29 which the deduction is claimed;

30 (2) the combined adjusted gross income (as defined in Section 62  
 31 of the Internal Revenue Code) of:

32 (A) the individual and the individual's spouse; or

33 (B) the individual and all other individuals with whom:

34 (i) the individual shares ownership; or

35 (ii) the individual is purchasing the property under a  
 36 contract;

37 as joint tenants or tenants in common;

38 for the calendar year preceding the year in which the deduction is  
 39 claimed did not exceed twenty-five thousand dollars (\$25,000);

40 (3) the individual has owned the real property, mobile home, or  
 41 manufactured home for at least one (1) year before claiming the  
 42 deduction; or the individual has been buying the real property,

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- 1 mobile home, or manufactured home under a contract that
- 2 provides that the individual is to pay the property taxes on the real
- 3 property, mobile home, or manufactured home for at least one (1)
- 4 year before claiming the deduction, and the contract or a
- 5 memorandum of the contract is recorded in the county recorder's
- 6 office;
- 7 (4) the individual and any individuals covered by subdivision
- 8 (2)(B) reside on the real property, mobile home, or manufactured
- 9 home;
- 10 (5) the assessed value of the real property, mobile home, or
- 11 manufactured home does not exceed one hundred eighty-two
- 12 thousand four hundred thirty dollars (\$182,430);
- 13 (6) the individual receives no other property tax deduction for the
- 14 year in which the deduction is claimed, except the deductions
- 15 provided by sections 1, 37, **37.5**, and 38 of this chapter; and
- 16 (7) the person:
  - 17 ~~(1)~~ (A) owns the real property, mobile home, or manufactured
  - 18 home; or
  - 19 ~~(2)~~ (B) is buying the real property, mobile home, or
  - 20 manufactured home under contract;
  - 21 on the date the statement required by section 10.1 of this chapter
  - 22 is filed.
  - 23 (b) Except as provided in subsection (h), in the case of real property,
  - 24 an individual's deduction under this section equals the lesser of:
    - 25 (1) one-half (1/2) of the assessed value of the real property; or
    - 26 (2) twelve thousand four hundred eighty dollars (\$12,480).
  - 27 (c) Except as provided in subsection (h) and section 40.5 of this
  - 28 chapter, in the case of a mobile home that is not assessed as real
  - 29 property or a manufactured home which is not assessed as real
  - 30 property, an individual's deduction under this section equals the lesser
  - 31 of:
    - 32 (1) one-half (1/2) of the assessed value of the mobile home or
    - 33 manufactured home; or
    - 34 (2) twelve thousand four hundred eighty dollars (\$12,480).
  - 35 (d) An individual may not be denied the deduction provided under
  - 36 this section because the individual is absent from the real property,
  - 37 mobile home, or manufactured home while in a nursing home or
  - 38 hospital.
  - 39 (e) For purposes of this section, if real property, a mobile home, or
  - 40 a manufactured home is owned by:
    - 41 (1) tenants by the entirety;
    - 42 (2) joint tenants; or

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1 (3) tenants in common;  
2 only one (1) deduction may be allowed. However, the age requirement  
3 is satisfied if any one (1) of the tenants is at least sixty-five (65) years  
4 of age.

5 (f) A surviving spouse is entitled to the deduction provided by this  
6 section if:

- 7 (1) the surviving spouse is at least sixty (60) years of age on or
- 8 before December 31 of the calendar year preceding the year in
- 9 which the deduction is claimed;
- 10 (2) the surviving spouse's deceased husband or wife was at least
- 11 sixty-five (65) years of age at the time of a death;
- 12 (3) the surviving spouse has not remarried; and
- 13 (4) the surviving spouse satisfies the requirements prescribed in
- 14 subsection (a)(2) through (a)(7).

15 (g) An individual who has sold real property to another person  
16 under a contract that provides that the contract buyer is to pay the  
17 property taxes on the real property may not claim the deduction  
18 provided under this section against that real property.

19 (h) In the case of tenants covered by subsection (a)(2)(B), if all of  
20 the tenants are not at least sixty-five (65) years of age, the deduction  
21 allowed under this section shall be reduced by an amount equal to the  
22 deduction multiplied by a fraction. The numerator of the fraction is the  
23 number of tenants who are not at least sixty-five (65) years of age, and  
24 the denominator is the total number of tenants.

25 SECTION 9. IC 6-1.1-12-24, AS AMENDED BY P.L.1-2009,  
26 SECTION 34, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
27 UPON PASSAGE]: Sec. 24. (a) A property owner who desires to  
28 obtain the deduction provided by section 22 of this chapter must file a  
29 certified deduction application, on forms prescribed by the department  
30 of local government finance, with the auditor of the county in which the  
31 property is located. The application may be filed in person or by mail.  
32 If mailed, the mailing must be postmarked on or before the last day for  
33 filing. Except as provided in subsection (b) and subject to section 45 of  
34 this chapter, the application must be filed in the year in which the  
35 addition to assessed valuation is made.

36 (b) If notice of the addition to assessed valuation for any year is not  
37 given to the property owner before December ~~31~~ 1 of that year, the  
38 application required by this section may be filed not later than thirty  
39 (30) days after the date such a notice is mailed to the property owner  
40 at the address shown on the records of the township or county assessor.

41 (c) The application required by this section shall contain the  
42 following information:

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- 1 (1) The name of the property owner.
- 2 (2) A description of the property for which a deduction is claimed
- 3 in sufficient detail to afford identification.
- 4 (3) The assessed value of the improvements on the property
- 5 before rehabilitation.
- 6 (4) The increase in the assessed value of improvements resulting
- 7 from the rehabilitation.
- 8 (5) The amount of deduction claimed.

9 (d) A deduction application filed under this section is applicable for  
 10 the year in which the addition to assessed value is made and in the  
 11 immediate following four (4) years without any additional application  
 12 being filed.

13 (e) On verification of the correctness of an application by the  
 14 assessor of the township in which the property is located, or the county  
 15 assessor if there is no township assessor for the township, the county  
 16 auditor shall make the deduction.

17 SECTION 10. IC 6-1.1-12-26 IS AMENDED TO READ AS  
 18 FOLLOWS [EFFECTIVE MARCH 1, 2010 (RETROACTIVE)]: Sec.  
 19 26. (a) The owner of real property, or a mobile home which is not  
 20 assessed as real property, which is equipped with a solar energy heating  
 21 or cooling system may have deducted annually from the assessed value  
 22 of the real property or mobile home an amount which is equal to the  
 23 remainder of ~~(1) the assessed value of the real property or mobile home~~  
 24 ~~with the solar energy heating or cooling system included; minus (2) the~~  
 25 ~~assessed value of the real property or mobile home without the system:~~  
 26 **out-of-pocket expenditures by the owner or a previous owner of the**  
 27 **real property or mobile home for:**

- 28 (1) the components; and
- 29 (2) the labor involved in installing the

30 (b) The department of local government finance shall promulgate  
 31 rules and regulations for determining the value of a solar energy  
 32 heating or cooling system. The rules and regulations must provide the  
 33 method of determining the value on the basis of:

- 34 (1) the cost of the system components;
- 35 that are unique to the system and that are needed to collect, store, or
- 36 distribute solar energy. and
- 37 (2) any other factor that is a just and proper indicator of value.

38 (b) **The tangible property to which subsection (a) applies**  
 39 **includes a solar thermal air system and any solar energy heating**  
 40 **or cooling system used for:**

- 41 (1) **domestic hot water or space heat, or both, including pool**  
 42 **heating; or**

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**(2) preheating for an industrial process.**  
**(c) Subsection (a) does not apply to tangible property that would not be subject to assessment and taxation under this article if this section did not apply.**

**(d) For purposes of subsection (a), proof of out-of-pocket expenditures may be demonstrated by invoices or other evidence of a purchase and installation.**

SECTION 11. IC 6-1.1-12-27.1, AS AMENDED BY P.L.1-2009, SECTION 35, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2010 (RETROACTIVE)]: Sec. 27.1. Except as provided in sections 36 and 44 of this chapter and subject to section 45 of this chapter, a person who desires to claim the deduction provided by section 26 of this chapter must file a certified statement in duplicate, on forms prescribed by the department of local government finance, with the auditor of the county in which the real property or mobile home is subject to assessment. With respect to real property, the person must file the statement during the year for which the person desires to obtain the deduction. **Except as provided in sections 36 and 44 of this chapter and subject to section 45 of this chapter**, with respect to a mobile home which is not assessed as real property, the person must file the statement during the twelve (12) months before March 31 of each year for which the person desires to obtain the deduction. The person must:

- (1) own the real property, mobile home, or manufactured home; or
- (2) be buying the real property, mobile home, or manufactured home under contract;

on the date the statement is filed under this section. The statement may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing. On verification of the statement by the assessor of the township in which the real property or mobile home is subject to assessment, or the county assessor if there is no township assessor for the township, the county auditor shall allow the deduction.

SECTION 12. IC 6-1.1-18.5-1, AS AMENDED BY P.L.154-2006, SECTION 46, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2010 (RETROACTIVE)]: Sec. 1. As used in this chapter:

"Ad valorem property tax levy for an ensuing calendar year" means the total property taxes imposed by a civil taxing unit for current property taxes collectible in that ensuing calendar year.

"Adopting county" means any county in which the county adjusted gross income tax is in effect.

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1 "Civil taxing unit" means any taxing unit except a school  
2 corporation.

3 "Maximum permissible ad valorem property tax levy for the  
4 preceding calendar year" means the greater of:

5 (1) the remainder of:  
6 (A) the civil taxing unit's maximum permissible ad valorem  
7 property tax levy for the calendar year immediately preceding  
8 the ensuing calendar year, as that levy was determined under  
9 section 3 of this chapter; minus

10 (B) one-half (1/2) of the remainder of:  
11 (i) the civil taxing unit's maximum permissible ad valorem  
12 property tax levy referred to in clause (A); minus  
13 (ii) the civil taxing unit's ad valorem property tax levy for  
14 the calendar year immediately preceding the ensuing  
15 calendar year referred to in subdivision (2); or

16 (2) the civil taxing unit's ad valorem property tax levy for the  
17 calendar year immediately preceding the ensuing calendar year,  
18 as that levy was determined by the department of local  
19 government finance in fixing the civil taxing unit's budget, levy,  
20 and rate for that preceding calendar year under IC 6-1.1-17, and  
21 after eliminating the effects of temporary excessive levy appeals  
22 and temporary adjustments made to the working maximum levy  
23 for the calendar year immediately preceding the ensuing calendar  
24 year, as determined by the department of local government  
25 finance.

26 **However, for purposes of determining a civil taxing unit's**  
27 **maximum permissible ad valorem property tax levy for the**  
28 **calendar year immediately preceding the ensuing calendar under**  
29 **subdivision (1) or a civil taxing unit's ad valorem property tax levy**  
30 **for the calendar year immediately preceding the ensuing calendar**  
31 **year under subdivision (2), a cash balance used in a calendar year**  
32 **after December 31, 2009, to temporarily reduce ad valorem**  
33 **property taxes subject to section 3 of this chapter shall be treated**  
34 **as if it were part of the ad valorem property tax levy imposed for**  
35 **that calendar year.**

36 "Taxable property" means all tangible property that is subject to the  
37 tax imposed by this article and is not exempt from the tax under  
38 IC 6-1.1-10 or any other law. For purposes of sections 2 and 3 of this  
39 chapter, the term "taxable property" is further defined in section 6 of  
40 this chapter.

41 "Unadjusted assessed value" means the assessed value of a civil  
42 taxing unit as determined by local assessing officials and the

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1 department of local government finance in a particular calendar year  
2 before the application of an annual adjustment under IC 6-1.1-4-4.5 for  
3 that particular calendar year or any calendar year since the last general  
4 reassessment preceding the particular calendar year.

5 SECTION 13. IC 6-1.1-18.5-10.5, AS AMENDED BY  
6 P.L.182-2009(ss), SECTION 129, IS AMENDED TO READ AS  
7 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 10.5. (a) The ad  
8 valorem property tax levy limits imposed by section 3 of this chapter  
9 do not apply to ad valorem property taxes imposed by a civil taxing  
10 unit for fire protection services within a fire protection territory under  
11 IC 36-8-19, if the civil taxing unit is a participating unit in a fire  
12 protection territory established before August 1, 2001. For purposes of  
13 computing the ad valorem property tax levy limits imposed on a civil  
14 taxing unit by section 3 of this chapter on a civil taxing unit that is a  
15 participating unit in a fire protection territory, established before  
16 August 1, 2001, the civil taxing unit's ad valorem property tax levy for  
17 a particular calendar year does not include that part of the levy imposed  
18 under IC 36-8-19.

19 (b) This subsection applies to a participating unit in a fire protection  
20 territory established under ~~IC 36-8-19~~ after July 31, 2001. The ad  
21 valorem property tax levy limits imposed by section 3 of this chapter  
22 do not apply to ad valorem property taxes imposed by a civil taxing  
23 unit for fire protection services within a fire protection territory under  
24 ~~IC 36-8-19~~ for the three (3) calendar years in which the participating  
25 unit levies a tax to support the territory. For purposes of computing the  
26 ad valorem property tax levy limits imposed on a civil taxing unit by  
27 section 3 of this chapter for the three (3) calendar years for which the  
28 participating unit levies a tax to support the territory, the civil taxing  
29 unit's ad valorem property tax levy for a particular calendar year does  
30 not include that part of the levy imposed under ~~IC 36-8-19~~.

31 (c) This subsection applies to property taxes first due and payable  
32 after December 31, 2008. Except as provided in subsection (d),  
33 notwithstanding subsections (a) and (b) or any other law, Any property  
34 taxes imposed by a civil taxing unit that are exempted by this **section**  
35 **subsection** from the ad valorem property tax levy limits imposed by  
36 section 3 of this chapter **and first due and payable after December**  
37 **31, 2008**, may not increase annually by a percentage greater than the  
38 result of:

- 39 (1) the assessed value growth quotient determined under section
- 40 2 of this chapter; minus
- 41 (2) one (1).

42 (d) The limits specified in subsection (c) do not apply to a civil

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1 taxing unit in the first year in which the civil taxing unit becomes a  
 2 participating unit in a fire protection territory established under  
 3 ~~IC 36-8-19~~. In the first year in which A civil taxing unit becomes a  
 4 participating unit in a fire protection territory, the civil taxing unit shall  
 5 submit its proposed budget, proposed ad valorem property tax levy, and  
 6 proposed property tax rate for the fire protection territory to the  
 7 department of local government finance. **(b) The department of local**  
 8 **government finance may, under this subsection, increase the**  
 9 **maximum permissible ad valorem property tax levy that would**  
 10 **otherwise apply to a civil taxing unit under section 3 of this chapter**  
 11 **to meet the civil taxing unit's obligations to a fire protection**  
 12 **territory established under IC 36-8-19. To obtain an increase in the**  
 13 **civil taxing unit's maximum permissible ad valorem property tax**  
 14 **levy, a civil taxing unit shall submit a petition to the department of**  
 15 **local government finance in the year immediately preceding the**  
 16 **first year in which the civil taxing unit levies a tax to support the**  
 17 **fire protection territory. The petition must be filed before the date**  
 18 **specified in section 12(a)(1) of this chapter of that year.** The  
 19 department of local government finance shall make a final  
 20 determination of the civil taxing unit's budget, ad valorem property tax  
 21 levy, and property tax rate for the fire protection territory for ~~that the~~  
 22 **ensuing** calendar year. In making its determination under this  
 23 subsection, the department of local government finance shall consider  
 24 the amount that the civil taxing unit is obligated to provide to meet the  
 25 expenses of operation and maintenance of the fire protection services  
 26 within the territory, ~~plus a~~ **including the participating unit's**  
 27 **reasonable share of an** operating balance ~~not to exceed twenty percent~~  
 28 **(20%) of the budgeted expenses for the fire protection territory. The**  
 29 **department of local government finance shall determine the entire**  
 30 **amount of the allowable adjustment in the final determination. The**  
 31 **department shall order the adjustment implemented in the**  
 32 **amounts and over the number of years, not exceeding three (3),**  
 33 **requested by the petitioning civil taxing unit.** However, the  
 34 department of local government finance may not approve under this  
 35 subsection a property tax levy greater than zero (0) if the civil taxing  
 36 unit did not exist as of the March 1 assessment date for which the tax  
 37 levy will be imposed. For purposes of applying **this** subsection ~~(c)~~ to  
 38 the civil taxing unit's **maximum permissible ad valorem** property tax  
 39 ~~levy for the fire protection territory~~ in subsequent calendar years, the  
 40 department of local government finance may determine not to consider  
 41 part or all of the part of the ~~first year~~ property tax levy imposed to  
 42 establish ~~an~~ **the operating balance of the fire protection territory.**

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1 SECTION 14. IC 6-1.1-24-1, AS AMENDED BY P.L.169-2006,  
2 SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
3 UPON PASSAGE]: Sec. 1. (a) On or before July 1 of each year or  
4 fifty-one (51) days after the tax payment due date, the county treasurer  
5 (or county executive, in the case of property described in subdivision  
6 (2)) shall certify to the county auditor a list of real property on which  
7 any of the following exist:

8 (1) In the case of real property other than real property described  
9 in subdivision (2), any property taxes or special assessments  
10 certified to the county auditor for collection by the county  
11 treasurer from the prior year's spring installment or before are  
12 delinquent as determined under IC 6-1.1-37-10.

13 (2) In the case of real property for which a county executive has  
14 certified to the county auditor that the real property is:

15 (A) vacant; or

16 (B) abandoned;

17 any property taxes or special assessments from the prior year's fall  
18 installment or before that are delinquent as determined under  
19 IC 6-1.1-37-10. The county executive must make a certification  
20 under this subdivision not later than sixty-one (61) days before  
21 the earliest date on which application for judgment and order for  
22 sale may be made.

23 (3) Any unpaid costs are due under section 2(b) of this chapter  
24 from a prior tax sale.

25 (b) The county auditor shall maintain a list of all real property  
26 eligible for sale. ~~Unless the taxpayer pays to the county treasurer the~~  
27 ~~amounts in subsection (a),~~ **Except as provided in section 1.2 or**  
28 **another provision of this chapter,** the taxpayer's property shall remain  
29 on the list. The list must:

30 (1) describe the real property by parcel number and common  
31 address, if any;

32 (2) for a tract or item of real property with a single owner,  
33 indicate the name of the owner; and

34 (3) for a tract or item with multiple owners, indicate the name of  
35 at least one (1) of the owners.

36 (c) Except as otherwise provided in this chapter, the real property  
37 so listed is eligible for sale in the manner prescribed in this chapter.

38 (d) Not later than fifteen (15) days after the date of the county  
39 treasurer's certification under subsection (a), the county auditor shall  
40 mail by certified mail a copy of the list described in subsection (b) to  
41 each mortgagee who requests from the county auditor by certified mail  
42 a copy of the list. Failure of the county auditor to mail the list under

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1 this subsection does not invalidate an otherwise valid sale.  
2 SECTION 15. IC 6-1.1-24-1.2 IS AMENDED TO READ AS  
3 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1.2. (a) Except as  
4 provided in subsection (c), a tract or an item of real property may not  
5 be removed from the list certified under section 1 of this chapter before  
6 the tax sale unless all:

7 (1) delinquent taxes **and** special assessments **due before the date**  
8 **the list on which the property appears was certified under**  
9 **section 1 of this chapter; and**

10 (2) penalties due on the delinquency, interest, and costs directly  
11 attributable to the tax sale;  
12 have been paid in full.

13 (b) A county treasurer may accept partial payments of delinquent  
14 property taxes, assessments, penalties, interest, or costs under  
15 subsection (a) after the list of real property is certified under section 1  
16 of this chapter. **However a partial payment does not remove a tract**  
17 **or an item from the list certified under section 1 of this chapter**  
18 **unless the taxpayer complies with subsection (a) or (c) before the**  
19 **date of the tax sale.**

20 (c) The county auditor in a county having a population of more than  
21 four hundred thousand (400,000) but less than seven hundred thousand  
22 (700,000) may remove a tract or an item of real property from the list  
23 certified under section 1 of this chapter before the tax sale if the county  
24 treasurer and the taxpayer agree to a mutually satisfactory arrangement  
25 for the payment of the delinquent taxes.

26 (d) The county treasurer may remove the tract or item from the list  
27 certified under section 1 of this chapter if the arrangement described in  
28 subsection (c):

- 29 (1) is in writing;
- 30 (2) is signed by the taxpayer; and
- 31 (3) requires the taxpayer to pay the delinquent taxes in full within  
32 one (1) year of the date the agreement is signed.

33 (e) If the taxpayer fails to make a payment under the arrangement  
34 described in subsection (c), the county auditor shall immediately place  
35 the tract or item of real property on the list of real property eligible for  
36 sale at a tax sale.

37 (f) If the tract or item of real property subject to a payment  
38 arrangement is within the jurisdiction of a:

- 39 (1) city having a population of more than ninety thousand  
40 (90,000) but less than one hundred five thousand (105,000);
- 41 (2) city having a population of more than thirty-two thousand  
42 (32,000) but less than thirty-two thousand eight hundred (32,800);

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1 or  
 2 (3) city having a population of more than seventy-five thousand  
 3 (75,000) but less than ninety thousand (90,000);  
 4 the county auditor shall notify the mayor of the city of the arrangement.  
 5 SECTION 16. IC 6-3.5-1.1-1.5 IS ADDED TO THE INDIANA  
 6 CODE AS A NEW SECTION TO READ AS FOLLOWS  
 7 [EFFECTIVE UPON PASSAGE]: **Sec. 1.5. (a) Notwithstanding any**  
 8 **other provision of this chapter, a power granted by this chapter to**  
 9 **adopt an ordinance to:**  
 10 (1) impose, increase, decrease, or rescind a tax or tax rate; or  
 11 (2) grant, increase, decrease, rescind, or change a homestead  
 12 credit or property tax replacement credit authorized under  
 13 this chapter;  
 14 may be exercised at any time in a year before November 1 of that  
 15 year.  
 16 (b) Notwithstanding any other provision of this chapter, an  
 17 ordinance authorized by this chapter that imposes or increases a  
 18 tax or a tax rate takes effect as follows:  
 19 (1) An ordinance adopted after December 31 of the  
 20 immediately preceding year and before October 1 of the  
 21 current year takes effect October 1 of the current year.  
 22 (2) An ordinance adopted after September 30 and before  
 23 October 16 of the current year takes effect November 1 of the  
 24 current year.  
 25 (3) An ordinance adopted after October 15 and before  
 26 November 1 of the current year takes effect December 1 of the  
 27 current year.  
 28 (c) Notwithstanding any other provision of this chapter, an  
 29 ordinance authorized by this chapter that decreases or rescinds a  
 30 tax or a tax rate takes effect as follows:  
 31 (1) An ordinance adopted after December 31 of the  
 32 immediately preceding year and before October 1 of the  
 33 current year takes effect on the later of October 1 of the  
 34 current year or the first day of the month in the current year  
 35 as the month in which the last increase in the tax or tax rate  
 36 occurred.  
 37 (2) An ordinance adopted after September 30 and before  
 38 October 16 of the current year takes effect on the later of  
 39 November 1 of the current year or the first day of the month  
 40 in the current year as the month in which the last increase in  
 41 the tax or tax rate occurred.  
 42 (3) An ordinance adopted after October 15 and before

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1           **November 1 of the current year takes effect December 1 of the**  
2           **current year.**

3           **(d) Notwithstanding any other provision of this chapter, an**  
4           **ordinance authorized by this chapter that grants, increases,**  
5           **decreases, rescinds, or changes a homestead credit or property tax**  
6           **replacement credit authorized under this chapter takes effect for**  
7           **and applies to property taxes first due and payable in the year**  
8           **immediately following the year in which the ordinance is adopted.**

9           SECTION 17. IC 6-3.5-1.1-9, AS AMENDED BY  
10          P.L.182-2009(ss), SECTION 210, IS AMENDED TO READ AS  
11          FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 9. (a) Revenue  
12          derived from the imposition of the county adjusted gross income tax  
13          shall, in the manner prescribed by this section, be distributed to the  
14          county that imposed it. The amount to be distributed to a county during  
15          an ensuing calendar year equals the amount of county adjusted gross  
16          income tax revenue that the budget agency determines has been:

17               (1) received from that county for a taxable year ending before the  
18               calendar year in which the determination is made; and

19               (2) reported on an annual return or amended return processed by  
20               the department in the state fiscal year ending before July 1 of the  
21               calendar year in which the determination is made;

22          as adjusted for refunds of county adjusted gross income tax made in the  
23          state fiscal year.

24               (b) Before August 2 of each calendar year, the budget agency shall  
25               certify to the county auditor of each adopting county the amount  
26               determined under subsection (a) plus the amount of interest in the  
27               county's account that has accrued and has not been included in a  
28               certification made in a preceding year. The amount certified is the  
29               county's "certified distribution" for the immediately succeeding  
30               calendar year. The amount certified shall be adjusted under subsections  
31               (c), (d), (e), (f), (g), and (h). The budget agency shall provide the  
32               county council with an informative summary of the calculations used  
33               to determine the certified distribution. The summary of calculations  
34               must include:

35                       (1) the amount reported on individual income tax returns  
36                       processed by the department during the previous fiscal year;

37                       (2) adjustments for over distributions in prior years;

38                       (3) adjustments for clerical or mathematical errors in prior years;

39                       (4) adjustments for tax rate changes; and

40                       (5) the amount of excess account balances to be distributed under  
41                       IC 6-3.5-1.1-21.1.

42          The budget agency shall also certify information concerning the part of

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1 the certified distribution that is attributable to a tax rate under section  
 2 24, 25, or 26 of this chapter. This information must be certified to the  
 3 county auditor, the department, and the department of local government  
 4 finance not later than September 1 of each calendar year. The part of  
 5 the certified distribution that is attributable to a tax rate under section  
 6 24, 25, or 26 of this chapter may be used only as specified in those  
 7 provisions.

8 (c) The budget agency shall certify an amount less than the amount  
 9 determined under subsection (b) if the budget agency determines that  
 10 the reduced distribution is necessary to offset overpayments made in a  
 11 calendar year before the calendar year of the distribution. The budget  
 12 agency may reduce the amount of the certified distribution over several  
 13 calendar years so that any overpayments are offset over several years  
 14 rather than in one (1) lump sum.

15 (d) The budget agency shall adjust the certified distribution of a  
 16 county to correct for any clerical or mathematical errors made in any  
 17 previous certification under this section. The budget agency may  
 18 reduce the amount of the certified distribution over several calendar  
 19 years so that any adjustment under this subsection is offset over several  
 20 years rather than in one (1) lump sum.

21 (e) The budget agency shall adjust the certified distribution of a  
 22 county to provide the county with the distribution required under  
 23 section 10(b) of this chapter.

24 (f) This subsection applies to a county that

25 ~~(1) initially imposes, the county adjusted gross income increases,~~  
 26 ~~decreases, or rescinds a tax or tax rate or~~

27 ~~(2) increases the county adjusted income tax rate;~~

28 under this chapter **before November 1** in the same calendar year in  
 29 which the budget agency makes a certification under this section. The  
 30 budget agency shall adjust the certified distribution of a county to  
 31 provide for a distribution in the immediately following calendar year  
 32 and in each calendar year thereafter. The budget agency shall provide  
 33 for a full transition to certification of distributions as provided in  
 34 subsection (a)(1) through (a)(2) in the manner provided in subsection  
 35 (c). **If the county imposes, increases, decreases, or rescinds a tax or**  
 36 **tax rate under this chapter after the date for which a certification**  
 37 **under subsection (b) is based, the budget agency shall adjust the**  
 38 **certified distribution of the county after August 1 of the calendar**  
 39 **year. The adjustment shall reflect any other adjustment required**  
 40 **under subsections (c), (d), (e), (g), and (h). The adjusted**  
 41 **certification shall be treated as the county's "certified distribution"**  
 42 **for the immediately succeeding calendar year. The budget agency**

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1 shall certify the adjusted certified distribution to the county  
 2 auditor for the county and provide the county council with an  
 3 informative summary of the calculations that revises the  
 4 informative summary provided in subsection (b) and reflects the  
 5 changes made in the adjustment.

6 (g) The budget agency shall adjust the certified distribution of a  
 7 county to provide the county with the distribution required under  
 8 section 3.3 of this chapter beginning not later than the tenth month after  
 9 the month in which additional revenue from the tax authorized under  
 10 section 3.3 of this chapter is initially collected.

11 (h) This subsection applies in the year in which a county initially  
 12 imposes a tax rate under section 24 of this chapter. Notwithstanding  
 13 any other provision, the budget agency shall adjust the part of the  
 14 county's certified distribution that is attributable to the tax rate under  
 15 section 24 of this chapter to provide for a distribution in the  
 16 immediately following calendar year equal to the result of:

17 (1) the sum of the amounts determined under STEP ONE through  
 18 STEP FOUR of IC 6-3.5-1.5-1(a) in the year in which the county  
 19 initially imposes a tax rate under section 24 of this chapter;  
 20 multiplied by

21 (2) two (2).

22 SECTION 18. IC 6-3.5-6-1.5 IS ADDED TO THE INDIANA  
 23 CODE AS A NEW SECTION TO READ AS FOLLOWS  
 24 [EFFECTIVE UPON PASSAGE]: **Sec. 1.5. (a) Notwithstanding any**  
 25 **other provision of this chapter, a power granted by this chapter to**  
 26 **adopt an ordinance to:**

27 (1) impose, increase, decrease, or rescind a tax or tax rate; or  
 28 (2) grant, increase, decrease, rescind, or change a homestead  
 29 credit or property tax replacement credit authorized under  
 30 this chapter;

31 may be exercised at any time in a year before November 1 of that  
 32 year.

33 (b) Notwithstanding any other provision of this chapter, an  
 34 ordinance authorized by this chapter that imposes or increases a  
 35 tax or a tax rate takes effect as follows:

36 (1) An ordinance adopted after December 31 of the  
 37 immediately preceding year and before October 1 of the  
 38 current year takes effect October 1 of the current year.

39 (2) An ordinance adopted after September 30 and before  
 40 October 16 of the current year takes effect November 1 of the  
 41 current year.

42 (3) An ordinance adopted after October 15 and before

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**November 1 of the current year takes effect December 1 of the current year.**

**(c) Notwithstanding any other provision of this chapter, an ordinance authorized by this chapter that decreases or rescinds a tax or a tax rate takes effect as follows:**

**(1) An ordinance adopted after December 31 of the immediately preceding year and before October 1 of the current year takes effect on the later of October 1 of the current year or the first day of the month in the current year as the month in which the last increase in the tax or tax rate occurred.**

**(2) An ordinance adopted after September 30 and before October 16 of the current year takes effect on the later of November 1 of the current year or the first day of the month in the current year as the month in which the last increase in the tax or tax rate occurred.**

**(3) An ordinance adopted after October 15 and before November 1 of the current year takes effect December 1 of the current year.**

**(d) Notwithstanding any other provision of this chapter, an ordinance authorized by this chapter that grants, increases, decreases, rescinds, or changes a homestead credit or property tax replacement credit authorized under this chapter takes effect for and applies to property taxes first due and payable in the year immediately following the year in which the ordinance is adopted.**

SECTION 19. IC 6-3.5-6-17, AS AMENDED BY P.L.182-2009(ss), SECTION 219, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 17. (a) Revenue derived from the imposition of the county option income tax shall, in the manner prescribed by this section, be distributed to the county that imposed it. The amount that is to be distributed to a county during an ensuing calendar year equals the amount of county option income tax revenue that the budget agency determines has been:

(1) received from that county for a taxable year ending in a calendar year preceding the calendar year in which the determination is made; and

(2) reported on an annual return or amended return processed by the department in the state fiscal year ending before July 1 of the calendar year in which the determination is made;

as adjusted (as determined after review of the recommendation of the budget agency) for refunds of county option income tax made in the state fiscal year.

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1 (b) Before August 2 of each calendar year, the budget agency shall  
 2 certify to the county auditor of each adopting county the amount  
 3 determined under subsection (a) plus the amount of interest in the  
 4 county's account that has accrued and has not been included in a  
 5 certification made in a preceding year. The amount certified is the  
 6 county's "certified distribution" for the immediately succeeding  
 7 calendar year. The amount certified shall be adjusted, as necessary,  
 8 under subsections (c), (d), (e), and (f). The budget agency shall provide  
 9 the county council with an informative summary of the calculations  
 10 used to determine the certified distribution. The summary of  
 11 calculations must include:

- 12 (1) the amount reported on individual income tax returns  
 13 processed by the department during the previous fiscal year;  
 14 (2) adjustments for over distributions in prior years;  
 15 (3) adjustments for clerical or mathematical errors in prior years;  
 16 (4) adjustments for tax rate changes; and  
 17 (5) the amount of excess account balances to be distributed under  
 18 IC 6-3.5-6-17.3.

19 The budget agency shall also certify information concerning the part of  
 20 the certified distribution that is attributable to a tax rate under section  
 21 30, 31, or 32 of this chapter. This information must be certified to the  
 22 county auditor and to the department of local government finance not  
 23 later than September 1 of each calendar year. The part of the certified  
 24 distribution that is attributable to a tax rate under section 30, 31, or 32  
 25 of this chapter may be used only as specified in those provisions.

26 (c) The budget agency shall certify an amount less than the amount  
 27 determined under subsection (b) if the budget agency determines that  
 28 the reduced distribution is necessary to offset overpayments made in a  
 29 calendar year before the calendar year of the distribution. The budget  
 30 agency may reduce the amount of the certified distribution over several  
 31 calendar years so that any overpayments are offset over several years  
 32 rather than in one (1) lump sum.

33 (d) The budget agency shall adjust the certified distribution of a  
 34 county to correct for any clerical or mathematical errors made in any  
 35 previous certification under this section. The budget agency may  
 36 reduce the amount of the certified distribution over several calendar  
 37 years so that any adjustment under this subsection is offset over several  
 38 years rather than in one (1) lump sum.

39 (e) This subsection applies to a county that

- 40 ~~(1) initially imposed the county option income imposes,~~  
 41 ~~increases, decreases, or rescinds a tax or tax rate or~~  
 42 ~~(2) increases the county option income tax rate;~~

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1 under this chapter **before November 1** in the same calendar year in  
 2 which the budget agency makes a certification under this section. The  
 3 budget agency shall adjust the certified distribution of a county to  
 4 provide for a distribution in the immediately following calendar year  
 5 and in each calendar year thereafter. The budget agency shall provide  
 6 for a full transition to certification of distributions as provided in  
 7 subsection (a)(1) through (a)(2) in the manner provided in subsection  
 8 **(c). If the county imposes, increases, decreases, or rescinds a tax or**  
 9 **tax rate under this chapter after the date for which a certification**  
 10 **under subsection (b) is based, the budget agency shall adjust the**  
 11 **certified distribution of the county after August 1 of the calendar**  
 12 **year. The adjustment shall reflect any other adjustment required**  
 13 **under subsections (c), (d), and (f). The adjusted certification shall**  
 14 **be treated as the county's "certified distribution" for the**  
 15 **immediately succeeding calendar year. The budget agency shall**  
 16 **certify the adjusted certified distribution to the county auditor for**  
 17 **the county and provide the county council with an informative**  
 18 **summary of the calculations that revises the informative summary**  
 19 **provided in subsection (b) and reflects the changes made in the**  
 20 **adjustment.**

21 (f) This subsection applies in the year a county initially imposes a  
 22 tax rate under section 30 of this chapter. Notwithstanding any other  
 23 provision, the budget agency shall adjust the part of the county's  
 24 certified distribution that is attributable to the tax rate under section 30  
 25 of this chapter to provide for a distribution in the immediately  
 26 following calendar year equal to the result of:

27 (1) the sum of the amounts determined under STEP ONE through  
 28 STEP FOUR of IC 6-3.5-1.5-1(a) in the year in which the county  
 29 initially imposes a tax rate under section 30 of this chapter;  
 30 multiplied by

- 31 (2) the following:
- 32 (A) In a county containing a consolidated city, one and
  - 33 five-tenths (1.5).
  - 34 (B) In a county other than a county containing a consolidated
  - 35 city, two (2).

36 (g) One-twelfth (1/12) of each adopting county's certified  
 37 distribution for a calendar year shall be distributed from its account  
 38 established under section 16 of this chapter to the appropriate county  
 39 treasurer on the first day of each month of that calendar year.

40 (h) Upon receipt, each monthly payment of a county's certified  
 41 distribution shall be allocated among, distributed to, and used by the  
 42 civil taxing units of the county as provided in sections 18 and 19 of this

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chapter.

(i) All distributions from an account established under section 16 of this chapter shall be made by warrants issued by the auditor of state to the treasurer of state ordering the appropriate payments.

SECTION 20. IC 6-3.5-6-32, AS AMENDED BY P.L.146-2008, SECTION 343, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 32. (a) A county income tax council may impose a tax rate under this section to provide property tax relief to ~~political subdivisions~~ **taxpayers** in the county. A county income tax council is not required to impose any other tax before imposing a tax rate under this section.

(b) A tax rate under this section may be imposed in increments of five-hundredths of one percent (0.05%) determined by the county income tax council. A tax rate under this section may not exceed one percent (1%).

(c) A tax rate under this section is in addition to any other tax rates imposed under this chapter and does not affect the purposes for which other tax revenue under this chapter may be used.

(d) If a county income tax council adopts an ordinance to impose or increase a tax rate under this section, the county auditor shall send a certified copy of the ordinance to the department and the department of local government finance by certified mail.

(e) A tax rate under this section may be imposed, increased, decreased, or rescinded at the same time and in the same manner that the county income tax council may impose or increase a tax rate under section 30 of this chapter.

(f) Tax revenue attributable to a tax rate under this section may be used for any combination of the following purposes, as specified by ordinance of the county income tax council:

(1) The tax revenue may be used to provide local property tax replacement credits at a uniform rate to all taxpayers in the county. The local property tax replacement credits shall be treated for all purposes as property tax levies. The county auditor shall determine the local property tax replacement credit percentage for a particular year based on the amount of tax revenue that will be used under this subdivision to provide local property tax replacement credits in that year. A county income tax council may not adopt an ordinance determining that tax revenue shall be used under this subdivision to provide local property tax replacement credits at a uniform rate to all taxpayers in the county unless the county council has done the following:

(A) Made available to the public the county council's best

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estimate of the amount of property tax replacement credits to be provided under this subdivision to homesteads, other residential property, commercial property, industrial property, and agricultural property.

(B) Adopted a resolution or other statement acknowledging that some taxpayers in the county that do not pay the tax rate under this section will receive a property tax replacement credit that is funded with tax revenue from the tax rate under this section.

(2) The tax revenue may be used to uniformly increase (before January 1, ~~2009~~ **2011**) or uniformly provide (after December 31, ~~2008~~ **2010**) the homestead credit percentage in the county. The homestead credits shall be treated for all purposes as property tax levies. The homestead credits do not reduce the basis for determining ~~the any~~ state homestead credit. ~~under IC 6-1.1-20.9 (before its repeal)~~. The homestead credits shall be applied to the net property taxes due on the homestead after the application of all other assessed value deductions or property tax deductions and credits that apply to the amount owed under IC 6-1.1. The ~~department of local government finance~~ **county auditor** shall determine the homestead credit percentage for a particular year based on the amount of tax revenue that will be used under this subdivision to provide homestead credits in that year.

(3) The tax revenue may be used to provide local property tax replacement credits at a uniform rate for all qualified residential property (as defined in IC 6-1.1-20.6-4 before January 1, 2009, and as defined in section 1 of this chapter after December 31, 2008) in the county. The local property tax replacement credits shall be treated for all purposes as property tax levies. The county auditor shall determine the local property tax replacement credit percentage for a particular year based on the amount of tax revenue that will be used under this subdivision to provide local property tax replacement credits in that year.

(4) This subdivision applies only to Lake County. The Lake County council may adopt an ordinance providing that the tax revenue from the tax rate under this section is used for any of the following:

- (A) To reduce all property tax levies imposed by the county by the granting of property tax replacement credits against those property tax levies.
- (B) To provide local property tax replacement credits in Lake County in the following manner:

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1 (i) The tax revenue under this section that is collected from  
2 taxpayers within a particular municipality in Lake County  
3 (as determined by the department based on the department's  
4 best estimate) shall be used only to provide a local property  
5 tax credit against property taxes imposed by that  
6 municipality.

7 (ii) The tax revenue under this section that is collected from  
8 taxpayers within the unincorporated area of Lake County (as  
9 determined by the department) shall be used only to provide  
10 a local property tax credit against property taxes imposed by  
11 the county. The local property tax credit for the  
12 unincorporated area of Lake County shall be available only  
13 to those taxpayers within the unincorporated area of the  
14 county.

15 (C) To provide property tax credits in the following manner:  
16 (i) Sixty percent (60%) of the tax revenue under this section  
17 shall be used as provided in clause (B).

18 (ii) Forty percent (40%) of the tax revenue under this section  
19 shall be used to provide property tax replacement credits  
20 against property tax levies of the county and each township  
21 and municipality in the county. The percentage of the tax  
22 revenue distributed under this item that shall be used as  
23 credits against the county's levies or against a particular  
24 township's or municipality's levies is equal to the percentage  
25 determined by dividing the population of the county,  
26 township, or municipality by the sum of the total population  
27 of the county, each township in the county, and each  
28 municipality in the county.

29 The Lake County council shall determine whether the credits  
30 under clause (A), (B), or (C) shall be provided to homesteads, to  
31 all qualified residential property, or to all taxpayers. The  
32 department of local government finance, with the assistance of the  
33 budget agency, shall certify to the county auditor and the fiscal  
34 body of the county and each township and municipality in the  
35 county the amount of property tax credits under this subdivision.  
36 Except as provided in subsection (g), the tax revenue under this  
37 section that is used to provide credits under this subdivision shall  
38 be treated for all purposes as property tax levies.

39 The county income tax council may ~~before October 1~~ of a year adopt  
40 an ordinance changing the purposes for which tax revenue attributable  
41 to a tax rate under this section shall be used in the following year.

42 (g) The tax rate under this section shall not be considered for

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1 purposes of computing:

2 (1) the maximum income tax rate that may be imposed in a county  
3 under section 8 or 9 of this chapter or any other provision of this  
4 chapter;

5 (2) the maximum permissible property tax levy under STEP  
6 EIGHT of IC 6-1.1-18.5-3(b); or

7 (3) the credit under IC 6-1.1-20.6.

8 (h) Tax revenue under this section shall be treated as a part of the  
9 receiving civil taxing unit's or school corporation's property tax levy for  
10 that year for purposes of fixing the budget of the civil taxing unit or  
11 school corporation and for determining the distribution of taxes that are  
12 distributed on the basis of property tax levies. **To the extent the  
13 county auditor determines that there is income tax revenue  
14 remaining from the tax under this section after providing the  
15 property tax replacement, the excess shall be credited to a  
16 dedicated county account and may be used only for property tax  
17 replacement under this section in subsequent years.**

18 (i) The department of local government finance and the department  
19 of state revenue may take any actions necessary to carry out the  
20 purposes of this section.

21 (j) Notwithstanding any other provision, in Lake County the county  
22 council (and not the county income tax council) is the entity authorized  
23 to take actions concerning the tax rate under this section.

24 SECTION 21. IC 6-3.5-7-4.9 IS ADDED TO THE INDIANA  
25 CODE AS A NEW SECTION TO READ AS FOLLOWS  
26 [EFFECTIVE UPON PASSAGE]: **Sec. 4.9. (a) Notwithstanding any  
27 other provision of this chapter, a power granted by this chapter to  
28 adopt an ordinance to:**

29 (1) impose, increase, decrease, or rescind a tax or tax rate; or  
30 (2) grant, increase, decrease, rescind, or change a homestead  
31 credit or property tax replacement credit authorized under  
32 this chapter;

33 **may be exercised at any time in a year before November 1 of that  
34 year.**

35 (b) Notwithstanding any other provision of this chapter, an  
36 ordinance authorized by this chapter that imposes or increases a  
37 tax or a tax rate takes effect as follows:

38 (1) An ordinance adopted after December 31 of the  
39 immediately preceding year and before October 1 of the  
40 current year takes effect October 1 of the current year.

41 (2) An ordinance adopted after September 30 and before  
42 October 16 of the current year takes effect November 1 of the

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current year.  
(3) An ordinance adopted after October 15 and before November 1 of the current year takes effect December 1 of the current year.

(c) Notwithstanding any other provision of this chapter, an ordinance authorized by this chapter that decreases or rescinds a tax or a tax rate takes effect as follows:

(1) An ordinance adopted after December 31 of the immediately preceding year and before October 1 of the current year takes effect on the later of October 1 of the current year or the first day of the month in the current year as the month in which the last increase in the tax or tax rate occurred.

(2) An ordinance adopted after September 30 and before October 16 of the current year takes effect on the later of November 1 of the current year or the first day of the month in the current year as the month in which the last increase in the tax or tax rate occurred.

(3) An ordinance adopted after October 15 and before November 1 of the current year takes effect December 1 of the current year.

(d) Notwithstanding any other provision of this chapter, an ordinance authorized by this chapter that grants, increases, decreases, rescinds, or changes a homestead credit or property tax replacement credit authorized under this chapter takes effect for and applies to property taxes first due and payable in the year immediately following the year in which the ordinance is adopted.

SECTION 22. IC 6-3.5-7-11, AS AMENDED BY P.L.182-2009(ss), SECTION 228, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 11. (a) Revenue derived from the imposition of the county economic development income tax shall, in the manner prescribed by this section, be distributed to the county that imposed it.

(b) Before August 2 of each calendar year, the budget agency, shall certify to the county auditor of each adopting county the sum of the amount of county economic development income tax revenue that the budget agency determines has been:

- (1) received from that county for a taxable year ending before the calendar year in which the determination is made; and
- (2) reported on an annual return or amended return processed by the department in the state fiscal year ending before July 1 of the calendar year in which the determination is made;

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1 as adjusted for refunds of county economic development income tax  
 2 made in the state fiscal year plus the amount of interest in the county's  
 3 account that has been accrued and has not been included in a  
 4 certification made in a preceding year. The amount certified is the  
 5 county's certified distribution, which shall be distributed on the dates  
 6 specified in section 16 of this chapter for the following calendar year.

7 (c) The amount certified under subsection (b) shall be adjusted  
 8 under subsections (d), (e), (f), (g), and (h). The budget agency shall  
 9 provide the county council with an informative summary of the  
 10 calculations used to determine the certified distribution. The summary  
 11 of calculations must include:

- 12 (1) the amount reported on individual income tax returns  
 13 processed by the department during the previous fiscal year;
- 14 (2) adjustments for over distributions in prior years;
- 15 (3) adjustments for clerical or mathematical errors in prior years;
- 16 (4) adjustments for tax rate changes; and
- 17 (5) the amount of excess account balances to be distributed under  
 18 IC 6-3.5-7-17.3.

19 (d) The budget agency shall certify an amount less than the amount  
 20 determined under subsection (b) if the budget agency determines that  
 21 the reduced distribution is necessary to offset overpayments made in a  
 22 calendar year before the calendar year of the distribution. The budget  
 23 agency may reduce the amount of the certified distribution over several  
 24 calendar years so that any overpayments are offset over several years  
 25 rather than in one (1) lump sum.

26 (e) The budget agency shall adjust the certified distribution of a  
 27 county to correct for any clerical or mathematical errors made in any  
 28 previous certification under this section. The budget agency may  
 29 reduce the amount of the certified distribution over several calendar  
 30 years so that any adjustment under this subsection is offset over several  
 31 years rather than in one (1) lump sum.

32 (f) The budget agency shall adjust the certified distribution of a  
 33 county to provide the county with the distribution required under  
 34 section 16(b) of this chapter.

35 (g) The budget agency shall adjust the certified distribution of a  
 36 county to provide the county with the amount of any tax increase  
 37 imposed under section 25 or 26 of this chapter to provide additional  
 38 homestead credits as provided in those provisions.

39 (h) This subsection applies to a county that

- 40 ~~(1) initially imposed the county economic development income~~  
 41 **imposes, increases, decreases, or rescinds a tax or tax rate or**  
 42 ~~(2) increases the county economic development income rate;~~

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1 under this chapter **before November 1** in the same calendar year in  
 2 which the budget agency makes a certification under this section. The  
 3 budget agency shall adjust the certified distribution of a county to  
 4 provide for a distribution in the immediately following calendar year  
 5 and in each calendar year thereafter. The budget agency shall provide  
 6 for a full transition to certification of distributions as provided in  
 7 subsection (b)(1) through (b)(2) in the manner provided in subsection  
 8 (d). **If the county imposes, increases, decreases, or rescinds a tax or**  
 9 **tax rate under this chapter after the date for which a certification**  
 10 **under subsection (b) is based, the budget agency shall adjust the**  
 11 **certified distribution of the county after August 1 of the calendar**  
 12 **year. The adjustment shall reflect any other adjustment authorized**  
 13 **under subsections (c), (d), (e), (f), and (g). The adjusted**  
 14 **certification shall be treated as the county's "certified distribution"**  
 15 **for the immediately succeeding calendar year. The budget agency**  
 16 **shall certify the adjusted certified distribution to the county**  
 17 **auditor for the county and provide the county council with an**  
 18 **informative summary of the calculations that revises the**  
 19 **informative summary provided in subsection (c) and reflects the**  
 20 **changes made in the adjustment.**

21 SECTION 23. IC 6-9-2-2, AS AMENDED BY P.L.223-2007,  
 22 SECTION 6, AND AS AMENDED BY P.L.211-2007, SECTION 45,  
 23 IS CORRECTED AND AMENDED TO READ AS FOLLOWS  
 24 [EFFECTIVE UPON PASSAGE]: Sec. 2. (a) The revenue received by  
 25 the county treasurer under this chapter shall be allocated to the Lake  
 26 County convention and visitor bureau, Indiana University-Northwest,  
 27 Purdue University-Calumet, municipal public safety departments,  
 28 municipal physical and economic development divisions, and the cities  
 29 and towns in the county as provided in this section. Subsections (b)  
 30 through (g) do not apply to the distribution of revenue received under  
 31 section 1 of this chapter from hotels, motels, inns, tourist camps, tourist  
 32 cabins, and other lodgings or accommodations built or refurbished after  
 33 June 30, 1993, that are located in the largest city of the county.

34 (b) The Lake County convention and visitor bureau shall establish  
 35 a convention, tourism, and visitor promotion fund (referred to in this  
 36 chapter as the "promotion fund"). The county treasurer shall transfer to  
 37 the Lake County convention and visitor bureau for deposit in the  
 38 promotion fund *thirty-five* *thirty-six* percent (~~35%~~) (36%) of the first  
 39 one million two hundred *fifty* thousand dollars (~~\$1,200,000~~)  
 40 (\$1,250,000) of revenue received from the tax imposed under this  
 41 chapter in each year. The promotion fund consists of:

- 42 (1) money in the promotion fund on June 30, 2005;

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1 (2) revenue deposited in the promotion fund under this subsection  
2 after June 30, 2005; and

3 (3) investment income earned on the promotion fund's assets.  
4 Money in the *promotion fund bureau's funds* may be expended ~~only~~ to  
5 promote and encourage conventions, trade shows, special events,  
6 recreation, and visitors. ~~within the county.~~ Money may be paid from the  
7 promotion fund by claim in the same manner as municipalities may pay  
8 claims under IC 5-11-10-1.6.

9 (c) This subsection applies to the first one million two hundred *fifty*  
10 thousand dollars (~~\$1,200,000~~) (*\$1,250,000*) of revenue received from  
11 the tax imposed under this chapter in each year. During each year, the  
12 county treasurer shall transfer to Indiana University-Northwest  
13 ~~forty-four~~ *forty-two* and ~~thirty-three~~ *seventy-seven* hundredths percent  
14 (~~44.33%~~) (*42.77%*) of the revenue received under this chapter for that  
15 year to be used as follows:

16 (1) Seventy-five percent (75%) of the revenue received under this  
17 subsection may be used only for the university's medical  
18 education programs.

19 (2) Twenty-five percent (25%) of the revenue received under this  
20 subsection may be used only for the university's allied health  
21 education programs.

22 *The amount for each year shall be transferred in four (4)*  
23 *approximately equal quarterly installments.*

24 (d) This subsection applies to the first one million two hundred *fifty*  
25 thousand dollars (~~\$1,200,000~~) (*\$1,250,000*) of revenue received from  
26 the tax imposed under this chapter in each year. During each year, the  
27 county treasurer shall allocate among the cities and towns throughout  
28 the county *nine and sixty-eight hundredths* percent (~~9%~~) (*9.68%*) of the  
29 revenue received under this chapter for that year. *The amount of each*  
30 *city's or town's allocation is* as follows:

31 (1) ~~Ten Nine~~ percent (~~10%~~) (*9%*) of the revenue covered by this  
32 subsection shall be ~~transferred~~ *distributed* to cities having a  
33 population of more than ninety thousand (90,000) but less than  
34 one hundred five thousand (105,000).

35 (2) ~~Ten Nine~~ percent (~~10%~~) (*9%*) of the revenue covered by this  
36 subsection shall be ~~transferred~~ *distributed* to cities having a  
37 population of more than seventy-five thousand (75,000) but less  
38 than ninety thousand (90,000).

39 (3) ~~Ten Nine~~ percent (~~10%~~) (*9%*) of the revenue covered by this  
40 subsection shall be ~~transferred~~ *distributed* to cities having a  
41 population of more than thirty-two thousand (32,000) but less  
42 than thirty-two thousand eight hundred (32,800).

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1 (4) ~~Seventy percent (70%) of~~ The remaining revenue covered by  
2 that must be allocated among the cities and towns located in the  
3 county under this subsection shall be ~~transferred~~ distributed in  
4 equal amounts to each town and each city not receiving a ~~transfer~~  
5 ~~distribution~~ under subdivisions (1) through (3).

6 The money ~~transferred~~ distributed under this subsection may be used  
7 only for *tourism and* economic development projects. The county  
8 treasurer shall make the ~~transfers~~ distributions on or before December  
9 1 of each year.

10 (e) This subsection applies to the first one million two hundred ~~fifty~~  
11 thousand dollars (~~\$1,200,000~~) (\$1,250,000) of revenue received from  
12 the tax imposed under this chapter in each year. During each year, the  
13 county treasurer shall transfer to Purdue University-Calumet ~~nine eight~~  
14 ~~and eighty-eight hundredths~~ percent (~~9%~~) (8.88%) of the revenue  
15 received under this chapter for that year. The money received by  
16 Purdue University-Calumet may be used by the university only for  
17 nursing education programs.

18 (f) This subsection applies to the first one million two hundred ~~fifty~~  
19 thousand dollars (~~\$1,200,000~~) (\$1,250,000) of revenue received from  
20 the tax imposed under this chapter in each year. During each year, the  
21 county treasurer shall transfer two and sixty-seven hundredths percent  
22 (2.67%) of the revenue received under this chapter for that year to the  
23 following cities:

24 (1) Fifty percent (50%) of the revenue covered by this subsection  
25 shall be transferred to cities having a population of more than  
26 ninety thousand (90,000) but less than one hundred five thousand  
27 (105,000).

28 (2) Fifty percent (50%) of the revenue covered by this subsection  
29 shall be transferred to cities having a population of more than  
30 seventy-five thousand (75,000) but less than ninety thousand  
31 (90,000).

32 Money transferred under this subsection may be used only for  
33 convention facilities located within the city. In addition, the money may  
34 be used only for facility marketing, sales, and public relations  
35 programs. Money transferred under this subsection may not be used for  
36 salaries, facility operating costs, or capital expenditures related to the  
37 convention facilities. The county treasurer shall make the transfers on  
38 or before December 1 of each year.

39 (g) This subsection applies to the revenue received from the tax  
40 imposed under this chapter in each year that exceeds one million two  
41 hundred ~~fifty~~ thousand dollars (~~\$1,200,000~~): (\$1,250,000). During each  
42 year, the county treasurer shall distribute money in the promotion fund

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as follows:

(1) Eighty-five percent (85%) of the revenue covered by this subsection shall be deposited in the convention, tourism, and visitor promotion fund. The money deposited in the fund under this subdivision may be used only for the purposes for which other money in the fund may be used.

(2) Five percent (5%) of the revenue covered by this subsection shall be transferred to Purdue University-Calumet. The money received by Purdue University-Calumet under this subdivision may be used by the university only for nursing education programs.

(3) Five percent (5%) of the revenue covered by this subsection shall be transferred to Indiana University-Northwest. The money received by Indiana University-Northwest under this subdivision may be used only for the university's medical education programs.

(4) Five percent (5%) of the revenue covered by this subsection shall be transferred to Indiana University-Northwest. The money received by Indiana University-Northwest under this subdivision may be used only for the university's allied health education programs.

*(h) The county treasurer may estimate the amount that will be received under this chapter for the year to determine the amount to be transferred under this section.*

*(h)* This subsection applies only to the distribution of revenue received from the tax imposed under section 1 of this chapter from hotels, motels, inns, tourist camps, tourist cabins, and other lodgings or accommodations built or refurbished after June 30, 1993, that are located in the largest city of the county. During each year, the county treasurer shall transfer:

(1) seventy-five percent (75%) of the revenues under this subsection to the department of public safety; and

(2) twenty-five percent (25%) of the revenues under this subsection to the division of physical and economic development; of the largest city of the county.

*(i)* The Lake County convention and visitor bureau shall assist the county treasurer, as needed, with the calculation of the amounts that must be deposited and transferred under this section.

SECTION 24. IC 12-20-25-45 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2010]: Sec. 45. (a) Notwithstanding IC 6-3.5-6, after the termination of the controlled status of all townships located in a county as provided in section 41 of this chapter and if the county option income tax is imposed under this chapter, the

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1 county fiscal body may adopt an ordinance to:

2 (1) ~~increase the percentage grant a credit allowed~~ for homesteads  
3 **that are eligible for a standard deduction under**  
4 **IC 6-1.1-12-37** in the county; ~~under IC 6-1.1-20.9-2;~~ or

5 (2) reduce the county option income tax rate for resident county  
6 taxpayers to a rate not less than the greater of:

7 (A) the minimum rate necessary to satisfy the requirements of  
8 section 43 of this chapter; or

9 (B) the minimum rate necessary to satisfy the requirements of  
10 sections 43 and 46(2) of this chapter if an ordinance is adopted  
11 under subdivision (1).

12 (b) A county fiscal body may not ~~increase the percentage grant a~~  
13 ~~credit allowed~~ for homesteads ~~in such a manner that more than eight~~  
14 ~~percent (8%) is added to exceeds~~ the percentage ~~established permitted~~  
15 ~~under IC 6-1.1-20.9-2(d).~~ **IC 6-3.5-6-13 for a county option income**  
16 **tax imposed under IC 6-3.5-6.**

17 (c) The increase in the homestead credit percentage must be uniform  
18 for all homesteads in a county.

19 (d) In an ordinance that increases the homestead credit percentage,  
20 the county fiscal body may provide for a series of increases or  
21 decreases to take place for each of a group of succeeding calendar  
22 years.

23 (e) An ordinance may be adopted under this section after January 1  
24 but before June 1 of a calendar year.

25 (f) An ordinance adopted under this section takes effect January 1  
26 of the next calendar year.

27 (g) An ordinance adopted under this section for a county is not  
28 applicable for a year if on January 1 of that year the county option  
29 income tax is not in effect.

30 SECTION 25. IC 12-20-25-46 IS AMENDED TO READ AS  
31 FOLLOWS [EFFECTIVE JULY 1, 2010]: Sec. 46. After the  
32 termination of the controlled status of all townships located in a county  
33 as provided in section 41 of this chapter, if the county adjusted gross  
34 income tax or the county option income tax is imposed under this  
35 chapter, any revenues from the county adjusted gross income tax or the  
36 county option income tax imposed under this chapter shall be  
37 distributed in the following priority:

38 (1) To satisfy the requirements of section 43 of this chapter.

39 (2) If the county option income tax imposed under this chapter is  
40 in effect, to replace the amount, if any, of property tax revenue  
41 lost due to the allowance of ~~an increased~~ a homestead credit  
42 within the county **under an ordinance adopted under section 45**

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**of this chapter.**

(3) To be used as a certified distribution as provided in IC 6-3.5-1.1 or IC 6-3.5-6, whichever applies.

SECTION 26. IC 14-33-10-3, AS AMENDED BY P.L.67-2006, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. (a) An assessment not paid in full shall be paid in annual installments over the time commensurate with the term of the bond issue or other financing determined by resolution adopted by the board. Interest shall be charged on the unpaid balance at the same rate per year as the ~~penalty interest~~ charged on delinquent property tax payments under ~~IC 6-1.1-37-10(a)~~. **IC 6-1.1-37-9(b)**. All payments of installments, interest, and penalties shall be entered on the assessment roll in the office of the district.

(b) Upon payment in full of the assessment, including interest and penalties, the board shall have the lien released and satisfied on the records in the office of the recorder of the county in which the real property assessed is located.

(c) The procedure for collecting assessments for maintenance and operation is the same as for the original assessment, except that the assessments may not be paid in installments.

SECTION 27. IC 20-46-1-10, AS ADDED BY P.L.2-2006, SECTION 169, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 10. The question to be submitted to the voters in the referendum must read as follows:

"For the \_\_ (insert number) calendar year or years immediately following the holding of the referendum, shall the school corporation impose a property tax rate that does not exceed \_\_\_\_\_ (insert amount) cents (\$0.\_\_) (insert amount) on each one hundred dollars (\$100) of assessed valuation and that is in addition to **all other property tax levies imposed by the school corporation's normal tuition support tax rate?":**  
**corporation?"**.

SECTION 28. IC 20-49-4-7, AS ADDED BY P.L.2-2006, SECTION 172, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7. As used in this chapter, "school building construction program" means the purchase, lease, or financing of land, the construction and equipping of school buildings, and the remodeling, repairing, or improving of school buildings by a school corporation:

- (1) that sustained a loss from a disaster;
- (2) whose adjusted assessed valuation (as determined under IC 6-1.1-34-8) per ADM is within the lowest forty percent (40%)

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1 of the assessed valuation per ADM when compared with all  
 2 school corporation adjusted assessed valuation (as ~~determined~~  
 3 **adjusted (if applicable)** under IC 6-1.1-34-8) per ADM; or  
 4 (3) with an advance under this chapter outstanding on July 1,  
 5 1993, that bears interest of at least seven and one-half percent  
 6 (7.5%).

7 The term does not include facilities used or to be used primarily for  
 8 interscholastic or extracurricular activities.

9 SECTION 29. IC 34-30-2-14.6 IS ADDED TO THE INDIANA  
 10 CODE AS A **NEW SECTION TO READ AS FOLLOWS**  
 11 [EFFECTIVE UPON PASSAGE]: **Sec. 14.6. IC 5-14-3.5-5**  
 12 **(Concerning the auditor of state and employees of the auditor of**  
 13 **state for posting certain confidential information).**

14 SECTION 30. IC 36-9-36-37, AS AMENDED BY P.L.67-2006,  
 15 SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 16 UPON PASSAGE]: Sec. 37. (a) Except as provided in section 38 of  
 17 this chapter, the entire assessment is payable in cash without interest  
 18 not later than thirty (30) days after the approval of the assessment roll  
 19 by the works board if an agreement has not been signed and filed under  
 20 section 36 of this chapter.

21 (b) If the assessment is not paid when due, the total assessment  
 22 becomes delinquent and bears interest at the rate prescribed by  
 23 ~~IC 6-1.1-37-10(a)~~ **IC 6-1.1-37-9(b)** per year from the date of the final  
 24 acceptance of the completed improvement by the works board.

25 SECTION 31. IC 36-9-36-55, AS AMENDED BY P.L.67-2006,  
 26 SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 27 UPON PASSAGE]: Sec. 55. (a) An irregularity or error in making a  
 28 foreclosure sale under this chapter does not make the sale ineffective,  
 29 unless the irregularity or error substantially prejudiced the property  
 30 owner.

31 (b) A property owner has two (2) years from the date of sale in  
 32 which to redeem the owner's property. The property owner may redeem  
 33 the owner's property by paying the principal, interest, and costs of the  
 34 judgment, plus interest on the principal, interest, and costs at the rate  
 35 prescribed by ~~IC 6-1.1-37-10(a)~~ **IC 6-1.1-37-9(b)**.

36 (c) If the property is not redeemed, the sheriff shall execute a deed  
 37 to the purchaser. The deed relates back to the final letting of the  
 38 contract for the improvement and is superior to all liens, claims, and  
 39 interests, except liens for taxes.

40 SECTION 32. IC 36-9-37-19, AS AMENDED BY P.L.67-2006,  
 41 SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 42 UPON PASSAGE]: Sec. 19. (a) If a person defaults in the payment of

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1 a waived installment of principal or interest of an assessment, the  
 2 municipal fiscal officer shall mail notice of the default to the person.  
 3 The notice must meet the following conditions:  
 4 (1) Be mailed not more than sixty (60) days after the default.  
 5 (2) Show the amount of the default, plus interest on that amount  
 6 for the number of months the person is in default at one-half (1/2)  
 7 the rate prescribed by ~~IC 6-1.1-37-10(a)~~ **IC 6-1.1-37-9(b)**.  
 8 (3) State that the amount of the default, plus interest, is due by the  
 9 date determined as follows:  
 10 (A) If the person selected monthly installments under section  
 11 8.5(a)(2) of this chapter, within sixty (60) days after the date  
 12 the notice is mailed.  
 13 (B) If the person selected annual installments under section  
 14 8.5(a)(1) of this chapter, within six (6) months after the date  
 15 the notice is mailed.  
 16 (b) A notice that is mailed to the person in whose name the property  
 17 is assessed and addressed to the person within the municipality is  
 18 sufficient notice. However, the fiscal officer shall also attempt to  
 19 determine the name and address of the current owner of the property  
 20 and send a similar notice to the current owner.  
 21 (c) Failure to send the notice required by this section does not  
 22 preclude or otherwise affect the following:  
 23 (1) The sale of the property for delinquency as prescribed by  
 24 IC 6-1.1-24.  
 25 (2) The foreclosure of the assessment lien by the bondholder.  
 26 (3) The preservation of the assessment lien under section 22.5 of  
 27 this chapter.  
 28 SECTION 33. IC 36-9-37-20, AS AMENDED BY P.L.67-2006,  
 29 SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 30 UPON PASSAGE]: Sec. 20. (a) If any principal and interest, or an  
 31 installment of principal and interest, is not paid in full when due, the  
 32 municipal fiscal officer shall enforce payment of the following:  
 33 (1) The unpaid amount of principal and interest.  
 34 (2) A penalty of interest at the rate prescribed by subsection (b).  
 35 (b) If payment is made after a default, the municipal fiscal officer  
 36 shall also collect a penalty of interest on the delinquent amount at  
 37 one-half (1/2) the rate prescribed by ~~IC 6-1.1-37-10(a)~~  
 38 **IC 6-1.1-37-9(b)** for each six (6) month period, or fraction of a six (6)  
 39 month period, from the date when payment should have been made.  
 40 SECTION 34. [EFFECTIVE UPON PASSAGE] **(a) The legislative**  
 41 **council, with the assistance of the code revision commission, shall**  
 42 **provide for the preparation of corrective legislation for**

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1 introduction in the 2011 session of the general assembly to make  
 2 changes to IC 6-3.5-1.1, IC 6-3.5-6, and IC 6-3.5-7, as necessary or  
 3 appropriate, to reflect the changes made by IC 6-3.5-1.1-1.5,  
 4 IC 6-3.5-6-1.5, and IC 6-3.5-7-4.9, all as added by this act. The code  
 5 revision commission may as part of its review consider the relevant  
 6 amendments to IC 6-3.5-1.1, IC 6-3.5-6, and IC 6-3.5-7 proposed in  
 7 the introduced version of HB 1086-2010. Until the general  
 8 assembly enacts corrective legislation, the department of local  
 9 government finance may adopt rules under IC 4-22-2, including  
 10 emergency rules adopted under IC 4-22-2-37.1, and prescribe  
 11 procedures for the implementation of IC 6-3.5-1.1-1.5,  
 12 IC 6-3.5-6-1.5, and IC 6-3.5-7-4.9, all as added by this act.

13 (b) The commission on state tax and financing policy established  
 14 under IC 2-5-3 shall, during the interim in 2010 between sessions  
 15 of the general assembly, study the allocation and distribution of  
 16 county adjusted gross income taxes (IC 6-3.5-1.1), county option  
 17 income taxes (IC 6-3.5-6), and county economic development  
 18 income taxes (IC 6-3.5-7) to civil taxing units within a county,  
 19 including the allocation of revenues derived from a public safety  
 20 tax rate imposed under IC 6-3.5-1.1-25 or IC 6-3.5-6-31.

21 (c) This SECTION expires January 1, 2011.

22 SECTION 35. An emergency is declared for this act.

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## COMMITTEE REPORT

Mr. Speaker: Your Committee on Rules and Legislative Procedures, to which was referred House Bill 1086, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, delete lines 1 through 17.

Page 2, delete lines 1 through 29.

Page 2, delete lines 34 through 42.

Delete page 3.

Page 4, delete lines 1 through 22.

Page 10, between lines 4 and 5, begin a new paragraph and insert:

"SECTION 12. IC 6-1.1-12-26 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2010 (RETROACTIVE)]: Sec. 26. (a) The owner of real property, or a mobile home which is not assessed as real property, which is equipped with a solar energy heating or cooling system may have deducted annually from the assessed value of the real property or mobile home an amount which is equal to the remainder of ~~(1) the assessed value of the real property or mobile home with the solar energy heating or cooling system included;~~ minus ~~(2) the assessed value of the real property or mobile home without the system.~~ **out-of-pocket expenditures by the owner or a previous owner of the real property or mobile home for:**

**(1) the components; and**

**(2) the labor involved in installing the**

~~(b) The department of local government finance shall promulgate rules and regulations for determining the value of a solar energy heating or cooling system. The rules and regulations must provide the method of determining the value on the basis of:~~

~~(1) the cost of the system components;~~

~~that are unique to the system and that are needed to collect, store, or distribute solar energy. and~~

~~(2) any other factor that is a just and proper indicator of value.~~

**(b) The tangible property to which subsection (a) applies includes a solar thermal air system and any solar energy heating or cooling system used for:**

**(1) domestic hot water or space heat, or both, including pool heating; or**

**(2) preheating for an industrial process.**

**(c) Subsection (a) does not apply to tangible property that would not be subject to assessment and taxation under this article if this section did not apply.**

**(d) For purposes of subsection (a), proof of out-of-pocket**

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**expenditures may be demonstrated by invoices or other evidence of a purchase and installation.**

SECTION 13. IC 6-1.1-12-27.1, AS AMENDED BY P.L.1-2009, SECTION 35, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2010 (RETROACTIVE)]: Sec. 27.1. Except as provided in sections 36 and 44 of this chapter and subject to section 45 of this chapter, a person who desires to claim the deduction provided by section 26 of this chapter must file a certified statement in duplicate, on forms prescribed by the department of local government finance, with the auditor of the county in which the real property or mobile home is subject to assessment. With respect to real property, the person must file the statement during the year for which the person desires to obtain the deduction. **Except as provided in sections 36 and 44 of this chapter and subject to section 45 of this chapter**, with respect to a mobile home which is not assessed as real property, the person must file the statement during the twelve (12) months before March 31 of each year for which the person desires to obtain the deduction. The person must:

- (1) own the real property, mobile home, or manufactured home; or
- (2) be buying the real property, mobile home, or manufactured home under contract;

on the date the statement is filed under this section. The statement may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing. On verification of the statement by the assessor of the township in which the real property or mobile home is subject to assessment, or the county assessor if there is no township assessor for the township, the county auditor shall allow the deduction."

Page 12, line 21, delete "permanently".

Page 13, delete lines 14 through 42.

Page 16, line 7, delete "Except as otherwise" and insert **"Notwithstanding any other provision of"**.

Page 16, line 8, delete "provided by".

Page 16, line 16, delete "Except as otherwise provided by" and insert **"Notwithstanding any other provision of"**.

Page 16, line 28, delete "Except as otherwise provided by" and insert **"Notwithstanding any other provision of"**.

Page 17, line 3, delete "Except as otherwise provided by" and insert **"Notwithstanding any other provision of"**.

Page 17, delete lines 9 through 42.

Delete pages 18 through 21.

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Page 22, delete lines 1 through 7.  
Page 24, delete lines 21 through 42.  
Delete pages 25 through 37.  
Page 38, delete lines 1 through 32.  
Page 38, line 35, delete "Except as otherwise" and insert **"Notwithstanding any other provision of"**.  
Page 38, line 36, delete "provided by".  
Page 39, line 2, delete "Except as otherwise provided by" and insert **"Notwithstanding any other provision of"**.  
Page 39, line 14, delete "Except as otherwise provided by" and insert **"Notwithstanding any other provision of"**.  
Page 39, line 31, delete "Except as otherwise provided by" and insert **"Notwithstanding any other provision of"**.  
Page 39, delete lines 37 through 42.  
Delete pages 40 through 44.  
Page 45, delete lines 1 through 6.  
Page 47, delete lines 28 through 42.  
Delete pages 48 through 57.  
Page 58, delete lines 1 through 20.  
Page 61, delete lines 40 through 42.  
Delete page 62.  
Page 63, delete lines 1 through 22.  
Page 63, line 25, delete "Except as otherwise" and insert **"Notwithstanding any other provision of"**.  
Page 63, line 26, delete "provided by".  
Page 63, line 34, delete "Except as otherwise provided by" and insert **"Notwithstanding any other provision of"**.  
Page 64, line 4, delete "Except as otherwise provided by" and insert **"Notwithstanding any other provision of"**.  
Page 64, line 21, delete "Except as otherwise provided by" and insert **"Notwithstanding any other provision of"**.  
Page 64, delete lines 27 through 42.  
Delete pages 65 through 69.  
Page 70, delete lines 1 through 35.  
Page 72, delete lines 29 through 42.  
Delete pages 73 through 87.  
Page 88, delete lines 1 through 21.  
Page 94, delete lines 32 through 42.  
Delete pages 95 through 108.  
Page 109, delete lines 1 through 39.  
Page 111, between lines 23 and 24, begin a new paragraph and insert:

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"SECTION 77. [EFFECTIVE UPON PASSAGE] (a) The legislative council, with the assistance of the code revision commission, shall provide for the preparation of corrective legislation for introduction in the 2011 session of the general assembly to make changes to IC 6-3.5-1.1, IC 6-3.5-6, and IC 6-3.5-7, as necessary or appropriate, to reflect the changes made by IC 6-3.5-1.1-1.5, IC 6-3.5-6-1.5, and IC 6-3.5-7-4.9, all as added by this act. The code revision commission may as part of its review consider the relevant amendments to IC 6-3.5-1.1, IC 6-3.5-6, and IC 6-3.5-7 proposed in the introduced version of HB 1086-2010. Until the general assembly enacts corrective legislation, the department of local government finance may adopt rules under IC 4-22-2, including emergency rules adopted under IC 4-22-2-37.1, and prescribe procedures for the implementation of IC 6-3.5-1.1-1.5, IC 6-3.5-6-1.5, and IC 6-3.5-7-4.9, all as added by this act.

(b) The commission on state tax and financing policy established under IC 2-5-3 shall, during the interim in 2010 between sessions of the general assembly, study the allocation and distribution of county adjusted gross income taxes (IC 6-3.5-1.1), county option income taxes (IC 6-3.5-6), and county economic development income taxes (IC 6-3.5-7) to civil taxing units within a county, including the allocation of revenues derived from a public safety tax rate imposed under IC 6-3.5-1.1-25 or IC 6-3.5-6-31.

(c) This SECTION expires January 1, 2011."

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to HB 1086 as introduced.)

GIAQUINTA, Chair

Committee Vote: yeas 10, nays 0.

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#### HOUSE MOTION

Mr. Speaker: I move that House Bill 1086 be amended to read as follows:

Page 2, delete lines 23 through 42.

Page 3, delete lines 1 through 4.

Page 3, line 7, delete "records:" and insert "records".

Page 3, line 8, delete "(1)".

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- Page 3, line 11, delete "parcels; or" and insert "parcels,".
  - Page 3, delete lines 12 through 14.
  - Page 3, run in lines 7 through 15.
  - Page 3, line 16, delete "or platting".
  - Page 3, line 29, reset in roman "described in subsection (a)".
  - Page 3, line 30, delete "consolidate parcels, subdivide parcels," and insert "**enter lots or parcels described in a plat under section 3 of this chapter, consolidate parcels under section 16 of this chapter, or**".
  - Page 3, delete line 32.
  - Page 3, run in lines 31 through 33.
  - Page 3, line 35, delete "entered," and insert "**platted,**".
  - Page 3, line 35, delete "subdivided,".
  - Page 33, delete lines 4 through 25.
  - Renumber all SECTIONS consecutively.
- (Reference is to HB 1086 as printed January 29, 2010.)

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HOUSE MOTION

Mr. Speaker: I move that House Bill 1086 be amended to read as follows:

Delete the title and insert the following:

A BILL FOR AN ACT to amend the Indiana Code concerning state and local administration.

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 5-14-3.5 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:

**Chapter 3.5. Access to Financial Data**

**Sec. 1. As used in this chapter, "state agency" means an authority, a board, a branch, a commission, a committee, a department, a division, or another instrumentality of government, including the administrative branch of state government, the legislative branch of state government, the judicial branch of state government, and state educational institutions.**

**Sec. 2. Not later than July 1, 2010, the auditor of state shall begin to work with the office of technology established by IC 4-13.1-2-1 to establish and post on the Internet a data base web**



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site of state expenditures and account balances, including expenditures for contracts and grants, that is electronically searchable by the public. The data base must include for each state agency:

- (1) the amount, date, payer, and payee of expenditures;
- (2) a listing of state expenditures by:
  - (A) personal services;
  - (B) other operating expenses; or
  - (C) total operating expenses;

to reflect how the funds were appropriated in the state budget act; and

- (3) a listing of state account balances.

Sec. 3. To the extent possible, the auditor of state shall present information in the data base established under this chapter in a manner that is searchable and intuitive to users. The auditor of state shall enhance and organize the presentation of the information through the use of graphic representations, including pie charts, if the auditor of state considers graphics appropriate. The data base must allow users to:

- (1) search and aggregate state funding by each element of the data on the Internet web site;
- (2) ascertain through a single search the total amount of state funding awarded or paid to a person by a state agency; and
- (3) download information yielded by a search of the data base.

Sec. 4. (a) The auditor of state may not allow public access under this section to:

- (1) a payee's address, other than the county in which the payee is located;
- (2) personal information that is protected under state or federal law or rule; or
- (3) information that is protected as a trade secret under state or federal law or by rule.

(b) The auditor of state may make information protected under subsection (a) available in an aggregate format only.

Sec. 5. The auditor of state and employees of the auditor of state are immune from any civil liability for posting confidential information under section 4 of this chapter if the auditor of state or an employee of the auditor of state posted the information in reliance on a determination made by a state agency about the confidentiality of information relating to the agency's expenditures or account balances.

Sec. 6. To the extent any information required to be in the data

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base is already being collected or maintained by a state agency, the state agency shall provide that information to the auditor of state for inclusion in the data base.

**Sec. 7.** The auditor of state may not charge a fee for access to the data base.

**Sec. 8.** Except as provided in section 9 of this chapter, a state agency shall cooperate with and provide information to the auditor of state as necessary to implement and administer this chapter.

**Sec. 9.** This chapter does not require a state agency to record information or expend resources for the purpose of computer programming to make information reportable under this chapter.

**Sec. 10.** The office of technology established by IC 4-13.1-2-1 shall work with the auditor of state to include a link in the data base established under this chapter to the Internet web site of each Internet web site operated by:

- (1) the state; or
- (2) a state agency.

**Sec. 11.** Each state agency shall include a link on the agency's Internet web site to the data base established under this chapter.

**Sec. 12. (a)** The auditor of state and the office of technology shall initially complete the design of the Internet web site and establish and post the information required under this chapter for all state agencies other than state educational institutions.

**(b)** After completing the initial phase described in subsection (a), the auditor of state and the office of technology shall provide to each state educational institution a description of the data fields and data transfer standards and protocols developed during the initial phase. After consulting with each state educational institution, the auditor of state and the office of technology shall estimate the cost of including each state educational institution's data on the Internet web site. The auditor of state shall submit a report to the legislative council that specifies the cost, if any, that would be required for each state educational institution to comply with this chapter. The report to the legislative council must be in an electronic format under IC 5-14-6.

**(c)** After receiving the report required by subsection (b), the legislative council may determine whether a state educational institution can provide the information required by this chapter without expending resources as described in section 9 of this chapter. A state educational institution shall comply with the determination of the legislative council.

**Sec. 13.** Not later than November 1, 2011, the auditor of state

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shall provide a report to the state board of finance and the legislative council that details the state expenditures and account balances contained in the data base created under this chapter and the progress the auditor has made to comply with this chapter. The report must include all state expenditures and account balances not contained in the data base with a detailed summary explaining why the state expenditures and account balances are not contained in the data base. The report to the legislative council must be in an electronic format under IC 5-14-6."

Page 33, between lines 10 and 11, begin a new paragraph and insert:  
 "SECTION 31. IC 34-30-2-14.6 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 14.6. IC 5-14-3.5-5 (Concerning the auditor of state and employees of the auditor of state for posting certain confidential information).**".

Renumber all SECTIONS consecutively.

(Reference is to HB 1086 as printed January 29, 2010.)

TURNER

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#### HOUSE MOTION

Mr. Speaker: I move that House Bill 1086 be amended to read as follows:

Page 2, between lines 15 and 16, begin a new paragraph and insert:  
 "SECTION 3. IC 6-1.1-4-4.5, AS AMENDED BY P.L.136-2009, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2011]: Sec. 4.5. (a) The department of local government finance shall adopt rules establishing a system for annually adjusting the assessed value of real property to account for changes in value in those years since a general reassessment of property last took effect.

(b) Subject to subsection (e), the system must be applied to adjust assessed values beginning with the 2006 assessment date and each year thereafter that is not a year in which a reassessment becomes effective.

(c) The rules adopted under subsection (a) must include the following characteristics in the system:

- (1) Promote uniform and equal assessment of real property within and across classifications.
- (2) Require that assessing officials:
  - (A) reevaluate the factors that affect value;
  - (B) express the interactions of those factors mathematically;

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(C) use mass appraisal techniques to estimate updated property values within statistical measures of accuracy; and

(D) provide notice to taxpayers of an assessment increase that results from the application of annual adjustments.

(3) Prescribe procedures that permit the application of the adjustment percentages in an efficient manner by assessing officials.

(d) The department of local government finance must review and certify each annual adjustment determined under this section.

(e) **This subsection applies to an assessment date occurring before January 1, 2011, or after December 31, 2011.** In making the annual determination of the base rate to satisfy the requirement for an annual adjustment under subsection (a), the department of local government finance shall determine the base rate using the methodology reflected in Table 2-18 of Book 1, Chapter 2 of the department of local government finance's Real Property Assessment Guidelines (as in effect on January 1, 2005), except that the department shall adjust the methodology to use a six (6) year rolling average instead of a four (4) year rolling average.

(f) **This subsection applies to the assessment date occurring in 2011. In making the annual determination of the base rate to satisfy the requirement for an annual adjustment under subsection (a), the department of local government finance shall do the following:**

(1) **Determine the base rate for the March 1, 2011, assessment date using the methodology reflected in Table 2-18 of Book 1, Chapter 2 of the department of local government finance's Real Property Assessment Guidelines (as in effect January 1, 2005), except that the department shall adjust the methodology to use a six (6) year rolling average instead of a four (4) year rolling average.**

(2) **Multiply the base rate determined under subdivision (1) for the March 1, 2011, assessment date by nine-tenths (0.9).**

(†)(g) For assessment dates after December 31, 2009, an adjustment in the assessed value of real property under this section shall be based on the estimated true tax value of the property on the assessment date that is the basis for taxes payable on that real property."

Renumber all SECTIONS consecutively.

(Reference is to HB 1086 as printed January 29, 2010.)

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