
HOUSE BILL No. 1254

DIGEST OF INTRODUCED BILL

Citations Affected: IC 6-1.1-12.7; IC 36-7-32-11.

Synopsis: Certified technology parks. Permits a county fiscal body to allow a 100% assessed value deduction for personal property that is primarily used to conduct high technology activity and is newly located within a certified technology park. Requires the county council of a county in which a certified technology park is located to determine how many years the personal property is entitled to a deduction. Provides that the deduction must be granted for at least two years but not more than ten years. Excludes from the deduction any personal property that is part of the assessed value used for tax increment financing and personal property that is used primarily for routine administrative purposes.

Effective: July 1, 2010.

Truitt, Borrer, Klinker

January 12, 2010, read first time and referred to Committee on Rules and Legislative Procedures.

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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.

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HOUSE BILL No. 1254



A BILL FOR AN ACT to amend the Indiana Code concerning taxation.

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

1 SECTION 1. IC 6-1.1-12.7 IS ADDED TO THE INDIANA CODE
2 AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2010]:

4 **Chapter 12.7. Deduction for Personal Property Within a**
5 **Certified Technology Park**

6 **Sec. 1. As used in this chapter, "certified technology park"**
7 **refers to a certified technology park that is:**

- 8 (1) established under IC 36-7-32; and
9 (2) certified as of the assessment date for which the deduction
10 under this chapter is claimed.

11 **Sec. 2. As used in this chapter, "high technology activity" has**
12 **the meaning set forth in IC 36-7-32-7.**

13 **Sec. 3. As used in this chapter, "qualified personal property"**
14 **means personal property that is:**

- 15 (1) assessed for the first time after December 31, 2010;
16 (2) located within a certified technology park;
17 (3) primarily used to conduct high technology activity; and



1 (4) not part of the assessed value for which a personal
2 property tax allocation has been made for the payment of the
3 principal of and interest on bonds or lease rentals under
4 IC 5-28-26, IC 6-1.1-39, IC 8-22-3.5, IC 36-7-14, IC 36-7-14.5,
5 IC 36-7-15.1, IC 36-7-30, IC 36-7-30.5, or IC 36-7-32.

6 The term does not include personal property that is used primarily
7 for routine administrative purposes such as office communications,
8 accounting, record keeping, and human resources.

9 Sec. 4. (a) A county fiscal body may adopt an ordinance
10 providing that a deduction applies to the assessed value of qualified
11 personal property located in the county. The deduction is equal to
12 one hundred percent (100%) of the assessed value of qualified
13 personal property located in the county for each calendar year
14 specified in the ordinance. An ordinance adopted under this section
15 must be adopted before January 1 of the first assessment year for
16 which a taxpayer may claim a deduction under the ordinance.

17 (b) An ordinance adopted under subsection (a) must specify the
18 number of assessment years that a deduction is allowed under this
19 chapter. However, a deduction may not be allowed for:

- 20 (1) less than two (2) assessment years; or
- 21 (2) more than ten (10) assessment years.

22 (c) The fiscal body shall send a certified copy of the ordinance
23 adopted under subsection (a) to the county assessor and county
24 auditor. The fiscal body's determination of the number of years the
25 deduction is allowed is final and may not be changed.

26 (d) An ordinance adopted under subsection (a) may not allow a
27 deduction for qualified personal property installed after March 1,
28 2015.

29 Sec. 5. (a) To obtain the deduction under this chapter, an owner
30 of qualified personal property must file a certified deduction
31 schedule with the county assessor in which the qualified personal
32 property is located. The department of local government finance
33 shall prescribe the form of the schedule. A schedule must be filed
34 for each year the deduction is being claimed.

35 (b) The schedule must be filed with:

- 36 (1) a timely personal property return under IC 6-1.1-3-7(a) or
37 IC 6-1.1-3-7(b); or
- 38 (2) a timely amended personal property return under
39 IC 6-1.1-3-7.5.

40 The county assessor shall forward to the county auditor a copy of
41 each schedule filed.

42 (c) The schedule must contain at least the following information:

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- 1 **(1) The name of the owner of the qualified personal property.**
- 2 **(2) A description of the qualified personal property and the**
- 3 **address of the real estate on which it is located.**
- 4 **(3) Documentation that the qualified personal property is**
- 5 **located within a certified technology park.**
- 6 **(4) Documentation that the qualified personal property is**
- 7 **primarily used to conduct high technology activity.**
- 8 **(d) The deduction applies to the qualified personal property**
- 9 **claimed in a schedule. However, the county assessor may:**
- 10 **(1) review the schedule; and**
- 11 **(2) before the March 1 that next succeeds the assessment date**
- 12 **for which the deduction is claimed, deny or alter the amount**
- 13 **of the deduction.**

14 **If the county assessor does not deny the deduction, the county**
 15 **auditor shall apply the deduction in the amount claimed in the**
 16 **schedule or in the amount as altered by the county assessor. A**
 17 **county assessor who denies a deduction under this subsection or**
 18 **alters the amount of the deduction shall notify the person that**
 19 **claimed the deduction and the county auditor of the assessor's**
 20 **determination.**

21 **(e) A person may appeal a determination by the county assessor**
 22 **to deny or alter the amount of the deduction by requesting in**
 23 **writing, not more than forty-five (45) days after the county**
 24 **assessor gives the person notice of the determination, a meeting**
 25 **with the county assessor. An appeal initiated under this subsection**
 26 **must be processed and determined in the same manner that an**
 27 **appeal is processed and determined under IC 6-1.1-15. However,**
 28 **the county assessor may not participate in any action the county**
 29 **property tax assessment board of appeals takes with respect to an**
 30 **appeal of a determination by the county assessor.**

31 **SECTION 2. IC 36-7-32-11, AS AMENDED BY P.L.3-2008,**
 32 **SECTION 263, IS AMENDED TO READ AS FOLLOWS**
 33 **[EFFECTIVE JULY 1, 2010]: Sec. 11. (a) After receipt of an**
 34 **application under section 10 of this chapter, and subject to subsection**
 35 **(b), the Indiana economic development corporation may designate a**
 36 **certified technology park if the corporation determines that the**
 37 **application demonstrates a firm commitment from at least one (1)**
 38 **business engaged in a high technology activity creating a significant**
 39 **number of jobs and satisfies one (1) or more of the following additional**
 40 **criteria:**

- 41 **(1) A demonstration of significant support from an institution of**
- 42 **higher education, a private research based institute, or a military**

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1 research and development or testing facility on an active United
 2 States government military base or other military installation
 3 located within, or in the vicinity of, the proposed certified
 4 technology park, as evidenced by the following criteria:
 5 (A) Grants of preferences for access to and commercialization
 6 of intellectual property.
 7 (B) Access to laboratory and other facilities owned by or under
 8 the control of the postsecondary educational institution or
 9 private research based institute.
 10 (C) Donations of services.
 11 (D) Access to telecommunications facilities and other
 12 infrastructure.
 13 (E) Financial commitments.
 14 (F) Access to faculty, staff, and students.
 15 (G) Opportunities for adjunct faculty and other types of staff
 16 arrangements or affiliations.
 17 (H) Other criteria considered appropriate by the Indiana
 18 economic development corporation.
 19 (2) A demonstration of a significant commitment by the
 20 postsecondary educational institution, private research based
 21 institute, or military research and development or testing facility
 22 on an active United States government military base or other
 23 military installation to the commercialization of research
 24 produced at the certified technology park, as evidenced by the
 25 intellectual property and, if applicable, tenure policies that reward
 26 faculty and staff for commercialization and collaboration with
 27 private businesses.
 28 (3) A demonstration that the proposed certified technology park
 29 will be developed to take advantage of the unique characteristics
 30 and specialties offered by the public and private resources
 31 available in the area in which the proposed certified technology
 32 park will be located.
 33 (4) The existence of or proposed development of a business
 34 incubator within the proposed certified technology park that
 35 exhibits the following types of resources and organization:
 36 (A) Significant financial and other types of support from the
 37 public or private resources in the area in which the proposed
 38 certified technology park will be located.
 39 (B) A business plan exhibiting the economic utilization and
 40 availability of resources and a likelihood of successful
 41 development of technologies and research into viable business
 42 enterprises.

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- 1 (C) A commitment to the employment of a qualified full-time
- 2 manager to supervise the development and operation of the
- 3 business incubator.
- 4 (5) The existence of a business plan for the proposed certified
- 5 technology park that identifies its objectives in a clearly focused
- 6 and measurable fashion and that addresses the following matters:
- 7 (A) A commitment to new business formation.
- 8 (B) The clustering of businesses, technology, and research.
- 9 (C) The opportunity for and costs of development of properties
- 10 under common ownership or control.
- 11 (D) The availability of and method proposed for development
- 12 of infrastructure and other improvements, including
- 13 telecommunications technology, necessary for the
- 14 development of the proposed certified technology park.
- 15 (E) Assumptions of costs and revenues related to the
- 16 development of the proposed certified technology park.
- 17 (6) A demonstrable and satisfactory assurance that the proposed
- 18 certified technology park can be developed to principally contain
- 19 property that is primarily used for, or will be primarily used for,
- 20 a high technology activity or a business incubator.
- 21 (b) The Indiana economic development corporation may not
- 22 approve an application that would result in a substantial reduction or
- 23 cessation of operations in another location in Indiana in order to
- 24 relocate them within the certified technology park.
- 25 (c) A certified technology park designated under this section is
- 26 subject to the review of the Indiana economic development corporation
- 27 and must be recertified every four (4) years. The corporation shall
- 28 develop procedures and the criteria to be used in the review required
- 29 by this subsection. A certified technology park shall furnish to the
- 30 corporation the following information to be used in the course of the
- 31 review:
- 32 (1) Total employment and payroll levels for all businesses
- 33 operating within the certified technology park.
- 34 (2) The nature and extent of any technology transfer activity
- 35 occurring within the certified technology park.
- 36 (3) The nature and extent of any nontechnology businesses
- 37 operating within the certified technology park.
- 38 (4) The use and outcomes of any state money made available to
- 39 the certified technology park.
- 40 (5) An analysis of the certified technology park's overall
- 41 contribution to the technology based economy in Indiana.

42 **If a certified technology park is not recertified, the Indiana**

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1 **economic development corporation shall send a certified copy of a**
2 **notice of the determination to the county auditor and to the**
3 **department of local government finance.**

4 (d) To the extent allowed under IC 5-14-3, the corporation shall
5 maintain the confidentiality of any information that is:

6 (1) submitted as part of the review process under subsection (c);
7 and

8 (2) marked as confidential;
9 by the certified technology park.

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