

COMMITTEE REPORT

MADAM PRESIDENT:

The Senate Committee on Tax and Fiscal Policy, to which was referred House Bill No. 1086, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

- 1 Page 1, between the enacting clause and line 1, begin a new
2 paragraph and insert:
3 "SECTION 1. IC 4-4-11.6-30 IS ADDED TO THE INDIANA
4 CODE AS A NEW SECTION TO READ AS FOLLOWS
5 [EFFECTIVE UPON PASSAGE]: **Sec. 30. (a) To carry out this**
6 **chapter, the authority may enter into a contract to sell SNG to**
7 **third parties with the net effect of the proceeds and costs of those**
8 **sales to be reflected in the line item on customers' bills as required**
9 **by section 19(c) of this chapter.**
10 **(b) The following apply if the authority enters into a contract**
11 **under subsection (a):**
12 **(1) The contract between the authority and a producer of**
13 **SNG for the sale and purchase of SNG must be a purchase**
14 **contract and is subject to all the requirements of this chapter.**
15 **(2) Contracts for services the authority determines are**
16 **necessary and appropriate to effectuate SNG sales and the**
17 **related transportation and delivery of SNG, including**
18 **contracts authorizing third parties to act as the authority's**
19 **agent in selling the SNG, must be related contracts.**
20 **(3) Contracts between the authority and regulated energy**
21 **utilities for the crediting and charging of the proceeds and**

1 costs to all retail end use customers, including the billing and
 2 collecting of any net costs, must be management contracts
 3 subject to section 22 of this chapter.

4 (c) The:

5 (1) proceeds of the sales of SNG;

6 (2) costs of purchasing, transporting, and delivering the SNG;

7 (3) authority's administrative costs;

8 (4) costs incurred in carrying out this section by an agent of
 9 the authority; and

10 (5) costs associated with supplying working capital,
 11 maintaining financial reserves, and allowing defaults by SNG
 12 purchasers or retail end use customers;

13 shall be allocated to the retail end use customers of each regulated
 14 energy utility based on the proportion of the amount of gas
 15 delivered by the regulated energy utility to the total amount of gas
 16 delivered by all regulated energy utilities in the immediately
 17 preceding calendar year. The commission shall determine a just
 18 and reasonable method for allocating the credits and charges to the
 19 retail end use customers. The mechanism and processes the
 20 authority uses to calculate the costs must be capable of audit and
 21 verification.

22 (d) The obligation of the authority to pay for SNG or for any
 23 services under a contract entered into under this chapter is limited
 24 to the funds available in the account plus any other amount
 25 recoverable by the authority through a provision included in a
 26 contract under this section. An obligation under this section is not
 27 supported by the full faith and credit of the state."

28 Page 1, line 11, delete "auditor of state" and insert "**office of**
 29 **management and budget**".

30 Page 1, line 14, delete ", including".

31 Page 1, line 15, delete "expenditures for contracts and grants,".

32 Page 1, line 16, delete "The data base must include for each state".

33 Page 1, delete line 17.

34 Page 2, delete lines 1 through 8.

35 Page 2, line 9, delete "auditor of state" and insert "**office of**
 36 **management and budget**".

37 Page 2, line 11, delete "searchable and intuitive" and insert
 38 "**accessible**".

- 1 Page 2, line 11, delete "The auditor of".
- 2 Page 2, delete lines 12 through 42.
- 3 Page 3, delete lines 1 through 37.
- 4 Page 3, line 38, delete "Sec. 13." and insert "**Sec. 4.**".
- 5 Page 3, line 38, delete "auditor of state" and insert "**office of**
- 6 **management and budget**".
- 7 Page 3, line 40, delete "account" and insert "**fund**".
- 8 Page 3, line 42, delete "auditor" and insert "**office of management**
- 9 **and budget**".
- 10 Page 4, line 1, delete "account" and insert "**fund**".
- 11 Page 4, line 3, delete "account" and insert "**fund**".
- 12 Page 4, between lines 9 and 10, begin a new paragraph and insert:
- 13 "SECTION 4. IC 6-1.1-3-7.5 IS AMENDED TO READ AS
- 14 FOLLOWS [EFFECTIVE MAY 15, 2010 (RETROACTIVE)]: Sec.
- 15 7.5. (a) A taxpayer may file an amended personal property tax return,
- 16 in conformity with the rules adopted by the department of local
- 17 government finance, not more than six (6) months, **if the filing date**
- 18 **for the original personal property tax return was before May 15,**
- 19 **2010, and twelve (12) months, if the filing date for the original**
- 20 **personal property tax return is after May 14, 2010,** after the later of
- 21 the following:
- 22 (1) The filing date for the original personal property tax return, if
- 23 the taxpayer is not granted an extension in which to file under
- 24 section 7 of this chapter.
- 25 (2) The extension date for the original personal property tax
- 26 return, if the taxpayer is granted an extension under section 7 of
- 27 this chapter.
- 28 (b) A tax adjustment related to an amended personal property tax
- 29 return shall be made in conformity with rules adopted under IC 4-22-2
- 30 by the department of local government finance.
- 31 (c) If a taxpayer wishes to correct an error made by the taxpayer on
- 32 the taxpayer's original personal property tax return, the taxpayer must
- 33 file an amended personal property tax return under this section within
- 34 the time required by subsection (a). A taxpayer may claim on an
- 35 amended personal property tax return any adjustment or exemption that
- 36 would have been allowable under any statute or rule adopted by the
- 37 department of local government finance if the adjustment or exemption
- 38 had been claimed on the original personal property tax return.

- 1 (d) Notwithstanding any other provision, if:
- 2 (1) a taxpayer files an amended personal property tax return under
- 3 this section in order to correct an error made by the taxpayer on
- 4 the taxpayer's original personal property tax return; and
- 5 (2) the taxpayer is entitled to a refund of personal property taxes
- 6 paid by the taxpayer under the original personal property tax
- 7 return;
- 8 the taxpayer is not entitled to interest on the refund.
- 9 (e) If a taxpayer files an amended personal property tax return for
- 10 a year before July 16 of that year, the taxpayer shall pay taxes payable
- 11 in the immediately succeeding year based on the assessed value
- 12 reported on the amended return.
- 13 (f) If a taxpayer files an amended personal property tax return for a
- 14 year after July 15 of that year, the taxpayer shall pay taxes payable in
- 15 the immediately succeeding year based on the assessed value reported
- 16 on the taxpayer's original personal property tax return. **Subject to**
- 17 **subsection (l)**, a taxpayer that paid taxes under this subsection is
- 18 entitled to a credit in the amount of taxes paid by the taxpayer on the
- 19 remainder of:
- 20 (1) the assessed value reported on the taxpayer's original personal
- 21 property tax return; minus
- 22 (2) the finally determined assessed value that results from the
- 23 filing of the taxpayer's amended personal property tax return.
- 24 Except as provided in subsection (k), the county auditor shall apply the
- 25 credit against the taxpayer's property taxes on personal property
- 26 payable in the year that immediately succeeds the year in which the
- 27 taxes were paid.
- 28 (g) If the amount of the credit to which the taxpayer is entitled under
- 29 subsection (f) exceeds the amount of the taxpayer's property taxes on
- 30 personal property payable in the year that immediately succeeds the
- 31 year in which the taxes were paid, the county auditor shall apply the
- 32 amount of the excess credit against the taxpayer's property taxes on
- 33 personal property in the next succeeding year.
- 34 (h) Not later than December 31 of the year in which a credit is
- 35 applied under subsection (g), the county auditor shall refund to the
- 36 taxpayer the amount of any excess credit that remains after application
- 37 of the credit under subsection (g).
- 38 (i) The taxpayer is not required to file an application for:

- 1 (1) a credit under subsection (f) or (g); or
 2 (2) a refund under subsection (h).

3 (j) Before August 1 of each year, the county auditor shall provide to
 4 each taxing unit in the county an estimate of the total amount of the
 5 credits under subsection (f) or (g) that will be applied against taxes
 6 imposed by the taxing unit that are payable in the immediately
 7 succeeding year.

8 (k) A county auditor may refund a credit amount to a taxpayer
 9 before the time the credit would otherwise be applied against property
 10 tax payments under this section.

11 **(l) If a person:**

12 **(1) files an amended personal property tax return more than**
 13 **six (6) months, but less than twelve (12) months, after the**
 14 **filing date or (if the taxpayer is granted an extension under**
 15 **section 7 of this chapter) the extension date for the original**
 16 **personal property tax return being amended; and**

17 **(2) the person is entitled to a credit or refund as a result of the**
 18 **amended return;**

19 **the county auditor shall reduce the credit or refund payable to the**
 20 **person. The amount of the reduction is ten percent (10%) of the**
 21 **credit or refund amount."**

22 Page 4, delete lines 38 through 42, begin a new paragraph and
 23 insert:

24 "SECTION 6. IC 6-1.1-4-4.5, AS AMENDED BY P.L.136-2009,
 25 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 26 JANUARY 1, 2010 (RETROACTIVE)]: Sec. 4.5. (a) The department
 27 of local government finance shall adopt rules establishing a system for
 28 annually adjusting the assessed value of real property to account for
 29 changes in value in those years since a general reassessment of
 30 property last took effect.

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

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

36 (1) Promote uniform and equal assessment of real property within
 37 and across classifications.

38 (2) Require that assessing officials:

- 1 (A) reevaluate the factors that affect value;
- 2 (B) express the interactions of those factors mathematically;
- 3 (C) use mass appraisal techniques to estimate updated property
- 4 values within statistical measures of accuracy; and
- 5 (D) provide notice to taxpayers of an assessment increase that
- 6 results from the application of annual adjustments.
- 7 (3) Prescribe procedures that permit the application of the
- 8 adjustment percentages in an efficient manner by assessing
- 9 officials.
- 10 (d) The department of local government finance must review and
- 11 certify each annual adjustment determined under this section.
- 12 (e) In making the annual determination of the base rate to satisfy the
- 13 requirement for an annual adjustment under subsection ~~(a)~~, **(c) for**
- 14 **property taxes first due and payable after 2010**, the department of
- 15 local government finance shall determine the base rate using the
- 16 methodology reflected in Table 2-18 of Book 1, Chapter 2 of the
- 17 department of local government finance's Real Property Assessment
- 18 Guidelines (as in effect on January 1, 2005), except that the department
- 19 shall adjust the methodology to:
- 20 (1) use a six (6) year rolling average **adjusted under subdivision**
- 21 **(2)** instead of a four (4) year rolling average; **and**
- 22 **(2) eliminate in the calculation of the rolling average:**
- 23 **(A) the year among the six (6) years for which the highest**
- 24 **market value in use of agricultural land is determined; and**
- 25 **(B) the year among the six (6) years for which the lowest**
- 26 **market value in use of agricultural land is determined.**
- 27 (f) For assessment dates after December 31, 2009, an adjustment in
- 28 the assessed value of real property under this section shall be based on
- 29 the estimated true tax value of the property on the assessment date that
- 30 is the basis for taxes payable on that real property."
- 31 Delete page 5.
- 32 Page 6, delete lines 1 through 6.
- 33 Page 10, line 26, delete "or a previous owner".
- 34 Page 10, line 41, delete "including pool" and insert "**excluding**
- 35 **systems designed to heat pools; or**".
- 36 Page 10, delete line 42.
- 37 Page 11, between lines 33 and 34, begin a new paragraph and insert:
- 38 "SECTION 14. IC 6-1.1-12-46 IS ADDED TO THE INDIANA

1 CODE AS A NEW SECTION TO READ AS FOLLOWS
 2 [EFFECTIVE JANUARY 1, 2010 (RETROACTIVE)]: **Sec. 46. (a)**

3 **This section applies to real property for an assessment date in 2010**
 4 **or a later year if:**

5 (1) **the real property is not exempt from property taxation for**
 6 **the assessment date;**

7 (2) **title to the real property is transferred after the**
 8 **assessment date and on or before the December 31 that next**
 9 **succeeds the assessment date;**

10 (3) **the transferee of the real property applies for an**
 11 **exemption under IC 6-1.1-11 for the next succeeding**
 12 **assessment date; and**

13 (4) **the county property tax assessment board of appeals**
 14 **determines that the real property is exempt from property**
 15 **taxation for that next succeeding assessment date.**

16 (b) **For the assessment date referred to in subsection (a)(1), real**
 17 **property is eligible for any deductions for which the transferor**
 18 **under subsection (a)(2) was eligible for that assessment date under**
 19 **the following:**

20 (1) **IC 6-1.1-12-1.**

21 (2) **IC 6-1.1-12-9.**

22 (3) **IC 6-1.1-12-11.**

23 (4) **IC 6-1.1-12-13.**

24 (5) **IC 6-1.1-12-14.**

25 (6) **IC 6-1.1-12-16.**

26 (7) **IC 6-1.1-12-17.4.**

27 (8) **IC 6-1.1-12-18.**

28 (9) **IC 6-1.1-12-22."**

29 Page 12, line 26, delete "for purposes of determining a civil taxing
 30 unit's" and insert "**upon request by a civil taxing unit, the**
 31 **department of local government finance may make an adjustment**
 32 **to the civil taxing unit's maximum permissible ad valorem**
 33 **property tax levy for the ensuing calendar year if the civil taxing**
 34 **unit's actual levy was lower than the civil taxing unit's maximum**
 35 **permissible ad valorem property tax levy for the calendar year**
 36 **immediately preceding the ensuing calendar year because of the**
 37 **civil taxing unit's use of cash balances."**

38 Page 12, delete lines 27 through 35.

1 Page 14, after line 42, begin a new paragraph and insert:

2 "SECTION 17. IC 6-1.1-20-3.6, AS AMENDED BY
3 P.L.182-2009(ss), SECTION 146, IS AMENDED TO READ AS
4 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3.6. (a) Except as
5 provided in ~~section~~ **sections 3.7 and 3.8** of this chapter, this section
6 applies only to a controlled project described in section 3.5(a) of this
7 chapter.

8 (b) If a sufficient petition requesting the application of the local
9 public question process has been filed as set forth in section 3.5 of this
10 chapter, a political subdivision may not impose property taxes to pay
11 debt service on bonds or lease rentals on a lease for a controlled project
12 unless the political subdivision's proposed debt service or lease rental
13 is approved in an election on a local public question held under this
14 section.

15 (c) Except as provided in subsection (j), the following question shall
16 be submitted to the eligible voters at the election conducted under this
17 section:

18 "Shall _____ (insert the name of the political subdivision)
19 issue bonds or enter into a lease to finance _____ (insert
20 a brief description of the controlled project), which is estimated
21 to cost not more than _____ (insert the total cost of the project)
22 and is estimated to increase the property tax rate for debt service
23 by _____ (insert increase in tax rate as determined by the
24 department of local government finance)?".

25 The public question must appear on the ballot in the form approved by
26 the county election board. If the political subdivision proposing to issue
27 bonds or enter into a lease is located in more than one (1) county, the
28 county election board of each county shall jointly approve the form of
29 the public question that will appear on the ballot in each county. The
30 form approved by the county election board may differ from the
31 language certified to the county election board by the county auditor.

32 (d) The county auditor shall certify the public question described in
33 subsection (c) under IC 3-10-9-3 to the county election board of each
34 county in which the political subdivision is located. The certification
35 must occur not later than noon:

36 (1) sixty (60) days before a primary election if the public question
37 is to be placed on the primary or municipal primary election
38 ballot; or

1 (2) August 1 if the public question is to be placed on the general
2 or municipal election ballot.

3 Subject to the certification requirements and deadlines under this
4 subsection and except as provided in subsection (j), the public question
5 shall be placed on the ballot at the next primary election, general
6 election, or municipal election in which all voters of the political
7 subdivision are entitled to vote. However, if a primary election, general
8 election, or municipal election will not be held during the first year in
9 which the public question is eligible to be placed on the ballot under
10 this section and if the political subdivision requests the public question
11 to be placed on the ballot at a special election, the public question shall
12 be placed on the ballot at a special election to be held on the first
13 Tuesday after the first Monday in May or November of the year. The
14 certification must occur not later than noon sixty (60) days before a
15 special election to be held in May (if the special election is to be held
16 in May) or noon on August 1 (if the special election is to be held in
17 November). However, in 2009, a political subdivision may hold a
18 special election under this section on any date scheduled for the special
19 election if notice of the special election was given before July 1, 2009,
20 to the election division of the secretary of state's office as provided in
21 IC 3-10-8-4. The fiscal body of the political subdivision that requests
22 the special election shall pay the costs of holding the special election.
23 The county election board shall give notice under IC 5-3-1 of a special
24 election conducted under this subsection. A special election conducted
25 under this subsection is under the direction of the county election
26 board. The county election board shall take all steps necessary to carry
27 out the special election.

28 (e) The circuit court clerk shall certify the results of the public
29 question to the following:

30 (1) The county auditor of each county in which the political
31 subdivision is located.

32 (2) The department of local government finance.

33 (f) Subject to the requirements of IC 6-1.1-18.5-8, the political
34 subdivision may issue the proposed bonds or enter into the proposed
35 lease rental if a majority of the eligible voters voting on the public
36 question vote in favor of the public question.

37 (g) If a majority of the eligible voters voting on the public question
38 vote in opposition to the public question, both of the following apply:

- 1 (1) The political subdivision may not issue the proposed bonds or
2 enter into the proposed lease rental.
- 3 (2) Another public question under this section on the same or a
4 substantially similar project may not be submitted to the voters
5 earlier than one (1) year after the date of the election.
- 6 (h) IC 3, to the extent not inconsistent with this section, applies to
7 an election held under this section.
- 8 (i) A political subdivision may not artificially divide a capital
9 project into multiple capital projects in order to avoid the requirements
10 of this section and section 3.5 of this chapter.
- 11 (j) This subsection applies to a political subdivision for which a
12 petition requesting a public question has been submitted under section
13 3.5 of this chapter. The legislative body (as defined in IC 36-1-2-9) of
14 the political subdivision may adopt a resolution to withdraw a
15 controlled project from consideration in a public question. If the
16 legislative body provides a certified copy of the resolution to the county
17 auditor and the county election board not later than forty-nine (49) days
18 before the election at which the public question would be on the ballot,
19 the public question on the controlled project shall not be placed on the
20 ballot and the public question on the controlled project shall not be
21 held, regardless of whether the county auditor has certified the public
22 question to the county election board. If the withdrawal of a public
23 question under this subsection requires the county election board to
24 reprint ballots, the political subdivision withdrawing the public
25 question shall pay the costs of reprinting the ballots. If a political
26 subdivision withdraws a public question under this subsection that
27 would have been held at a special election and the county election
28 board has printed the ballots before the legislative body of the political
29 subdivision provides a certified copy of the withdrawal resolution to
30 the county auditor and the county election board, the political
31 subdivision withdrawing the public question shall pay the costs
32 incurred by the county in printing the ballots. If a public question on a
33 controlled project is withdrawn under this subsection, a public question
34 under this section on the same controlled project or a substantially
35 similar controlled project may not be submitted to the voters earlier
36 than one (1) year after the date the resolution withdrawing the public
37 question is adopted.
- 38 (k) If a public question regarding a controlled project is placed on

1 the ballot to be voted on at a public question under this section, the
 2 political subdivision shall submit to the department of local
 3 government finance, at least thirty (30) days before the election, the
 4 following information regarding the proposed controlled project for
 5 posting on the department's Internet web site:

6 (1) The cost per square foot of any buildings being constructed as
 7 part of the controlled project.

8 (2) The effect that approval of the controlled project would have
 9 on the political subdivision's property tax rate.

10 (3) The maximum term of the bonds or lease.

11 (4) The maximum principal amount of the bonds or the maximum
 12 lease rental for the lease.

13 (5) The estimated interest rates that will be paid and the total
 14 interest costs associated with the bonds or lease.

15 (6) The purpose of the bonds or lease.

16 (7) In the case of a controlled project proposed by a school
 17 corporation:

18 (A) the current and proposed square footage of school building
 19 space per student;

20 (B) enrollment patterns within the school corporation; and

21 (C) the age and condition of the current school facilities.

22 SECTION 18. IC 6-1.1-20-3.8 IS ADDED TO THE INDIANA
 23 CODE AS A NEW SECTION TO READ AS FOLLOWS
 24 [EFFECTIVE UPON PASSAGE]: **Sec. 3.8. (a) This section applies to**
 25 **the issuance of bonds or the entering into a lease for a controlled**
 26 **project to which section 3.1 of this chapter applies.**

27 **(b) If the proper officers of a political subdivision make a**
 28 **preliminary determination to issue bonds or enter into a lease**
 29 **described in subsection (a), the fiscal body of the political**
 30 **subdivision may adopt a resolution specifying that the local public**
 31 **question process specified in section 3.6 of this chapter applies to**
 32 **the issuance of the bonds or the execution of the lease instead of the**
 33 **petition and remonstrance process under section 3.2 of this**
 34 **chapter.**

35 **(c) The fiscal body must adopt a resolution under subsection (b)**
 36 **not later than the date on which the political subdivision makes a**
 37 **preliminary determination to issue bonds or enter into a lease as**
 38 **described in subsection (a).**

1 **(d) The fiscal body must certify the resolution to the county**
 2 **election board of each county in which the political subdivision is**
 3 **located, and the county election board shall place the public**
 4 **question on the ballot as provided in section 3.6 of this chapter.**

5 **(e) Except to the extent it is inconsistent with this section, section**
 6 **3.6 of this chapter applies to a local public question placed on the**
 7 **ballot under this section."**

8 Page 17, between lines 4 and 5, begin a new paragraph and insert:

9 "SECTION 21. IC 6-1.1-37-7, AS AMENDED BY P.L.146-2008,
 10 SECTION 292, IS AMENDED TO READ AS FOLLOWS
 11 [EFFECTIVE MAY 15, 2010 (RETROACTIVE)]: Sec. 7. (a) If a
 12 person fails to file a required personal property return on or before the
 13 due date, the county auditor shall add a penalty of ~~twenty-five dollars~~
 14 ~~(\$25) to the person's next property tax installment. The county auditor~~
 15 ~~shall also add an additional penalty to the taxes payable by the person~~
 16 ~~if the person fails to file the personal property return within thirty (30)~~
 17 ~~days after the due date. The amount of the additional penalty is twenty~~
 18 ~~percent (20%) of the taxes finally determined to be due with respect to~~
 19 ~~the personal property which should have been reported on the return.~~

20 (b) For purposes of this section, a personal property return is not due
 21 until the expiration of any extension period granted by the township or
 22 county assessor under IC 6-1.1-3-7(b).

23 (c) The penalties prescribed under this section do not apply to an
 24 individual or the individual's dependents if the individual:

25 (1) is in the military or naval forces of the United States on the
 26 assessment date; and

27 (2) is covered by the federal Soldiers' and Sailors' Civil Relief
 28 Act.

29 (d) If a person subject to IC 6-1.1-3-7(d) fails to include on a
 30 personal property return the information, if any, that the department of
 31 local government finance requires under IC 6-1.1-3-9 or IC 6-1.1-5-13,
 32 the county auditor shall add a penalty to the property tax installment
 33 next due for the return. The amount of the penalty is twenty-five dollars
 34 (\$25).

35 (e) If the total assessed value that a person reports on a personal
 36 property return is less than the total assessed value that the person is
 37 required by law to report and if the amount of the undervaluation
 38 exceeds five percent (5%) of the value that should have been reported

1 on the return, then the county auditor shall add a penalty of twenty
 2 percent (20%) of the additional taxes finally determined to be due as
 3 a result of the undervaluation. The penalty shall be added to the
 4 property tax installment next due for the return on which the property
 5 was undervalued. If a person has complied with all of the requirements
 6 for claiming a deduction, an exemption, or an adjustment for abnormal
 7 obsolescence, then the increase in assessed value that results from a
 8 denial of the deduction, exemption, or adjustment for abnormal
 9 obsolescence is not considered to result from an undervaluation for
 10 purposes of this subsection.

11 (f) A penalty is due with an installment under subsection (a), (d), or
 12 (e) whether or not an appeal is filed under IC 6-1.1-15-5 with respect
 13 to the tax due on that installment."

14 Page 30, line 14, before "certified" delete ""

15 Page 30, line 14, after "distribution" delete ""

16 Page 35, between lines 32 and 33, begin a new paragraph and insert:

17 "SECTION 34. IC 20-46-1-20 IS ADDED TO THE INDIANA
 18 CODE AS A NEW SECTION TO READ AS FOLLOWS
 19 [EFFECTIVE JULY 1, 2010]: **Sec. 20. (a) During the period
 20 beginning with the adoption of a resolution by the governing body
 21 of a school corporation to place a referendum under this chapter
 22 on the ballot and continuing through the day on which the
 23 referendum is submitted to the voters, the school corporation may
 24 not promote a position on the referendum by doing any of the
 25 following:**

26 **(1) Allowing facilities or equipment, including mail and
 27 messaging systems, owned by the school corporation to be
 28 used for public relations purposes to promote a position on
 29 the referendum, unless equal access to the facilities or
 30 equipment is given to persons with a position opposite to that
 31 of the school corporation.**

32 **(2) Making an expenditure of money from a fund controlled
 33 by the school corporation to promote a position on the
 34 referendum.**

35 **(3) Using an employee to promote a position on the
 36 referendum during the employee's normal working hours or
 37 paid overtime, or otherwise compelling an employee to
 38 promote a position on the referendum at any time.**

1 **(4) Promoting a position on the referendum by:**

2 **(A) using students to transport written materials to their**
 3 **residences or in any way directly involving students in a**
 4 **school organized promotion of a position; or**

5 **(B) including a statement within another communication**
 6 **sent to the students' residences.**

7 **However, this section does not prohibit an employee of the school**
 8 **corporation from carrying out duties with respect to a referendum**
 9 **that are part of the normal and regular conduct of the employee's**
 10 **office or agency.**

11 **(b) The staff and employees of a school corporation may not**
 12 **personally identify a student as the child of a parent or guardian**
 13 **who supports or opposes the referendum.**

14 **(c) A person or an organization that has a contract or**
 15 **arrangement (whether formal or informal) with a school**
 16 **corporation for the use of any of the school corporation's facilities**
 17 **may not spend any money to promote a position on a referendum.**
 18 **A person or an organization that violates this subsection commits**
 19 **a Class A infraction.**

20 **(d) An elected or appointed public official of a school**
 21 **corporation may personally advocate for or against a position on**
 22 **a referendum so long as it is not done by using public funds.**

23 **(e) A student may use school equipment or facilities to report or**
 24 **editorialize about a local public question as part of the news**
 25 **coverage of the referendum by student newspaper or broadcast."**

26 Page 37, between lines 39 and 40, begin a new paragraph and insert:

27 "SECTION 41. IC 36-12-3-16.5 IS ADDED TO THE INDIANA
 28 CODE AS A NEW SECTION TO READ AS FOLLOWS
 29 [EFFECTIVE JULY 1, 2010]: **Sec. 16.5. (a) As used in this section,**
 30 **"electronic funds transfer" means any transfer of funds, other than**
 31 **a transaction originated by check, draft, or similar paper**
 32 **instrument, that is initiated through an electronic terminal,**
 33 **telephone, or computer or magnetic tape for the purpose of**
 34 **ordering, instructing, or authorizing a financial institution to debit**
 35 **or credit an account.**

36 **(b) A library board may adopt a resolution to authorize an**
 37 **electronic funds transfer method of payment of claims. If a library**
 38 **board adopts a resolution under this subsection, the public library**

1 **may pay money from its funds by electronic funds transfer.**

2 **(c) A public library that pays a claim by electronic funds**
 3 **transfer shall comply with all other requirements for the payment**
 4 **of claims by the public library.**

5 SECTION 42. IC 36-12-7-10 IS ADDED TO THE INDIANA
 6 CODE AS A NEW SECTION TO READ AS FOLLOWS
 7 [EFFECTIVE JULY 1, 2010]: **Sec. 10. (a) As used in this section,**
 8 **"electronic funds transfer" means any transfer of funds, other than**
 9 **a transaction originated by check, draft, or similar paper**
 10 **instrument, that is initiated through an electronic terminal,**
 11 **telephone, or computer or magnetic tape for the purpose of**
 12 **ordering, instructing, or authorizing a financial institution to debit**
 13 **or credit an account.**

14 **(b) A library board may adopt a resolution to authorize an**
 15 **electronic funds transfer method of payment of claims. If a library**
 16 **board adopts a resolution under this subsection, the public library**
 17 **may pay money from its funds by electronic funds transfer.**

18 **(c) A public library that pays a claim by electronic funds**
 19 **transfer shall comply with all other requirements for the payment**
 20 **of claims by the public library.**

21 SECTION 43. [EFFECTIVE UPON PASSAGE] **(a) This**
 22 **SECTION applies only to a church and to land and improvements**
 23 **that meet all of the following conditions:**

24 **(1) The church constructed a community activity center on**
 25 **land owned by the church, and the land and improvements**
 26 **were assessed and subject to property taxation for the 2007**
 27 **assessment date.**

28 **(2) The church failed to timely file an application under**
 29 **IC 6-1.1-11 for a property tax exemption for the land and**
 30 **improvements described in subdivision (1) for the 2007**
 31 **assessment date.**

32 **(3) For the 2007 assessment date, the land and improvements**
 33 **described in subdivision (1) would have been eligible for**
 34 **property tax exemption if the church had timely filed an**
 35 **exemption application under IC 6-1.1-11.**

36 **(4) For the 2008 assessment date, the church filed a timely**
 37 **application under IC 6-1.1-11 for a property tax exemption**
 38 **for the land and improvements described in subdivision (1)**

1 **and the exemption application was granted.**

2 **(b) Notwithstanding IC 6-1.1-11 or any other law specifying the**
 3 **date by which an application for property tax exemption must be**
 4 **filed to claim an exemption for the 2007 assessment date, a church**
 5 **described in subsection (a) may before July 1, 2010, file with the**
 6 **county assessor an application for property tax exemption for the**
 7 **land and improvements described in subsection (a)(1) for the 2007**
 8 **assessment date.**

9 **(c) Notwithstanding IC 6-1.1-11 or any other law, an application**
 10 **for property tax exemption that is filed under subsection (b) is**
 11 **considered to be timely filed for the 2007 assessment date, and the**
 12 **county assessor shall forward the application to the county**
 13 **property tax assessment board of appeals for review. The board**
 14 **shall grant an exemption claimed for the 2007 assessment date if**
 15 **the board determines that:**

16 **(1) the church's application for property tax exemption**
 17 **satisfies the requirements of this SECTION; and**

18 **(2) the church's land and improvements were, except for the**
 19 **failure to timely file a property tax exemption application,**
 20 **otherwise eligible for the claimed exemption for the 2007**
 21 **assessment date.**

22 **(d) This SECTION expires January 1, 2011.**

23 **SECTION 44. [EFFECTIVE UPON PASSAGE] (a) As used in this**
 24 **SECTION, "social service center" means a faith based nonprofit**
 25 **organization that offers programs to meet the physical, emotional,**
 26 **academic, and spiritual needs of children, teens, adults, and**
 27 **families.**

28 **(b) This SECTION applies only to a social service center, to**
 29 **personal property, and to land and improvements that meet all of**
 30 **the following conditions:**

31 **(1) The social service center acquired personal property and**
 32 **land, made improvements to the land for the purpose of**
 33 **conducting its activities, and the land, improvements, and**
 34 **personal property were assessed and subject to property**
 35 **taxation for the 2006 assessment date.**

36 **(2) The social service center failed to timely file an application**
 37 **under IC 6-1.1-11 for a property tax exemption for the**
 38 **personal property, land, and improvements described in**

- 1 subdivision (1) for the 2006 assessment date.
- 2 **(3) For the 2006 assessment date, the personal property, land,**
 3 **and improvements described in subdivision (1) would have**
 4 **been eligible for property tax exemption if the social service**
 5 **center had timely filed an exemption application under**
 6 **IC 6-1.1-11.**
- 7 **(4) For the 2007 assessment date, the social service center filed**
 8 **a timely application under IC 6-1.1-11 for a property tax**
 9 **exemption for the personal property, land, and improvements**
 10 **described in subdivision (1) and the exemption application**
 11 **was granted.**
- 12 **(c) Notwithstanding IC 6-1.1-11 or any other law specifying the**
 13 **date by which an application for property tax exemption must be**
 14 **filed to claim an exemption for the 2006 assessment date, a social**
 15 **service center described in subsection (b) may before July 1, 2010,**
 16 **file with the county assessor an application for property tax**
 17 **exemption for the personal property, land, and improvements**
 18 **described in subsection (b)(1) for the 2006 assessment date.**
- 19 **(d) Notwithstanding IC 6-1.1-11 or any other law, an application**
 20 **for property tax exemption that is filed under subsection (c) is**
 21 **considered to be timely filed for the 2006 assessment date, and the**
 22 **county assessor shall forward the application to the county**
 23 **property tax assessment board of appeals for review. The board**
 24 **shall grant an exemption claimed for the 2006 assessment date if**
 25 **the board determines that:**
- 26 **(1) the social service center's application for property tax**
 27 **exemption satisfies the requirements of this SECTION; and**
 28 **(2) the social service center's personal property, land, and**
 29 **improvements described in subsection (b)(1) were, except for**
 30 **the failure to timely file a property tax exemption application,**
 31 **otherwise eligible for the claimed exemption for the 2006**
 32 **assessment date.**
- 33 **(e) This SECTION expires January 1, 2011.**
- 34 **SECTION 45. [EFFECTIVE UPON PASSAGE] (a) As used in this**
 35 **SECTION, "social service center" means a faith based nonprofit**
 36 **organization that offers programs to meet the physical, emotional,**
 37 **academic, and spiritual needs of children, teens, adults, and**
 38 **families.**

1 **(b) This SECTION applies only to a social service center, to**
2 **personal property, and to land and improvements that meet all of**
3 **the following conditions:**

4 **(1) The social service center acquired personal property, land,**
5 **and improvements owned by a nonprofit youth sports club**
6 **through a merger with the youth sports club, and the personal**
7 **property, land, and improvements formerly owned by the**
8 **nonprofit youth sports club were assessed and subject to**
9 **property taxation for the 2006 assessment date.**

10 **(2) The nonprofit youth sports club or the social service**
11 **center, as applicable, failed to timely file an application under**
12 **IC 6-1.1-11 for a property tax exemption for the personal**
13 **property, land, and improvements described in subdivision (1)**
14 **for the 2006 assessment date.**

15 **(3) For the 2006 assessment date, the personal property, land,**
16 **and improvements described in subdivision (1) would have**
17 **been eligible for property tax exemption if the nonprofit youth**
18 **sports club or social service center, as applicable, had timely**
19 **filed an exemption application under IC 6-1.1-11.**

20 **(4) For the 2007 assessment date, the social service center filed**
21 **a timely application under IC 6-1.1-11 for a property tax**
22 **exemption for the personal property, land, and improvements**
23 **described in subdivision (1) and the exemption application**
24 **was granted.**

25 **(c) Notwithstanding IC 6-1.1-11 or any other law specifying the**
26 **date by which an application for property tax exemption must be**
27 **filed to claim an exemption for the 2006 assessment date, a social**
28 **service center described in subsection (b) may before July 1, 2010,**
29 **file with the county assessor an application for property tax**
30 **exemption for the personal property, land, and improvements**
31 **described in subsection (b)(1) for the 2006 assessment date.**

32 **(d) Notwithstanding IC 6-1.1-11 or any other law, an application**
33 **for a property tax exemption that is filed under subsection (c) is**
34 **considered to be timely filed for the 2006 assessment date, and the**
35 **county assessor shall forward the application to the county**
36 **property tax assessment board of appeals for review. The board**
37 **shall grant an exemption claimed for the 2006 assessment date if**
38 **the board determines that:**

1 **(1) the social service center's application for property tax**
 2 **exemption satisfies the requirements of this SECTION; and**
 3 **(2) the social service center's personal property, land, and**
 4 **improvements described in subsection (b)(1) were, except for**
 5 **the failure to timely file a property tax exemption application,**
 6 **otherwise eligible for the claimed exemption for the 2006**
 7 **assessment date.**

8 **(e) This SECTION expires January 1, 2011.**

9 SECTION 46. [EFFECTIVE JANUARY 1, 2006
 10 (RETROACTIVE)] **(a) This SECTION applies to a taxpayer,**
 11 **notwithstanding IC 6-1.1-3, IC 6-1.1-11, IC 6-1.1-17, IC 6-1.1-37,**
 12 **50 IAC 4.2, 50 IAC 16, or any other law or administrative rule or**
 13 **provision.**

14 **(b) This SECTION applies to an assessment date (as defined in**
 15 **IC 6-1.1-1-2) occurring after December 31, 2005, and before**
 16 **January 1, 2010.**

17 **(c) As used in this SECTION, "taxpayer" refers to a person (as**
 18 **defined in IC 6-1.1-1-10).**

19 **(d) A taxpayer, after January 15, 2010, and before January 25,**
 20 **2010, may file or refile in person or in any other manner consistent**
 21 **with IC 6-1.1-36-1.5:**

22 **(1) a Form 136 property tax exemption application, along**
 23 **with any supporting documents, schedules, or attachments,**
 24 **claiming an exemption from real property taxes or personal**
 25 **property taxes, or both, under IC 6-1.1-10-16 or**
 26 **IC 6-1.1-10-24 for any assessment date described in**
 27 **subsection (b); and**

28 **(2) a personal property tax return, along with any supporting**
 29 **documents, schedules, or attachments, relating to any**
 30 **personal property under IC 6-1.1-10-16 or IC 6-1.1-10-24 for**
 31 **any assessment date for which an exemption is claimed on a**
 32 **Form 136 property tax exemption application that is filed**
 33 **under this subsection.**

34 **(e) Any property tax exemption application or personal**
 35 **property tax return filed or refiled under subsection (d):**

36 **(1) is, subject to this SECTION, allowed; and**

37 **(2) is considered to have been timely filed.**

38 **(f) If the taxpayer demonstrates in the application or by other**

1 means that the property that is the subject to the exemption
 2 application would have qualified for an exemption under
 3 IC 6-1.1-10-16 as owned, occupied, and used for an educational
 4 purpose or under IC 6-1.1-10-24 if the application had been filed
 5 under IC 6-1.1-11 in a timely manner, the taxpayer is entitled to
 6 the exemptions from real property taxes or personal property
 7 taxes, or both, as claimed on the property tax exemption
 8 applications filed or refiled by the taxpayer under subsection (d)
 9 and shall pay no property taxes, penalties, or interest with respect
 10 to the exempt property.

11 (g) For its property to be exempt under this SECTION, the
 12 taxpayer must have received for an assessment date preceding any
 13 assessment date described in subsection (b) an exemption from
 14 property taxes for property identified by the same parcel or key
 15 numbers or the same parcel and key numbers included on the
 16 property tax exemption applications filed or refiled by the taxpayer
 17 under subsection (d).

18 (h) This SECTION expires July 1, 2011.

19 SECTION 47. [EFFECTIVE UPON PASSAGE] (a) This
 20 SECTION applies only to a local council of the Boy Scouts of
 21 America and to land and improvements that meet all of the
 22 following conditions:

23 (1) The local council acquired title to the land and
 24 improvements after March 1, 2007, and the land and
 25 improvements were assessed and subject to property taxation
 26 for the 2007 assessment date.

27 (2) The local council failed to file a timely application under
 28 IC 6-1.1-11 for a property tax exemption for the land and
 29 improvements described in subdivision (1) for the 2007
 30 assessment date.

31 (3) For the 2008 assessment date, the local council filed a
 32 timely application under IC 6-1.1-11 for a property tax
 33 exemption for the land and improvements described in
 34 subdivision (1) and the exemption application was granted.

35 (4) For the 2007 assessment date, the land and improvements
 36 described in subdivision (1) would have been eligible for
 37 property tax exemption if the local council:

38 (A) had on March 1, 2007:

- 1 (i) owned the land and improvements; and
 2 (ii) used the land and improvements for the same
 3 purposes for which the local council used the land and
 4 improvements on March 1, 2008; and
 5 (B) had timely filed an exemption application under
 6 IC 6-1.1-11.

7 (b) Notwithstanding IC 6-1.1-11 or any other law specifying the
 8 date by which an application for property tax exemption must be
 9 filed to claim an exemption for the 2007 assessment date, a local
 10 council described in subsection (a) may before July 1, 2010, file
 11 with the county assessor an application for property tax exemption
 12 for the land and improvements described in subsection (a)(1) for
 13 the 2007 assessment date.

14 (c) Notwithstanding IC 6-1.1-11 or any other law, an application
 15 for property tax exemption that is filed under subsection (b) is
 16 considered to be timely filed for the 2007 assessment date, and the
 17 county assessor shall forward the application to the county
 18 property tax assessment board of appeals for review. The board
 19 shall grant an exemption claimed for the 2007 assessment date if
 20 the board determines the local council's application for property
 21 tax exemption satisfies the requirements of this SECTION.

22 (d) This SECTION expires January 1, 2011.

23 SECTION 48. [EFFECTIVE UPON PASSAGE] (a) This
 24 SECTION applies only to an American Legion and to land and
 25 improvements that meet all of the following conditions:

26 (1) The American Legion holds title to the land and
 27 improvements located in Marion County, the land and
 28 improvements and the personal property located on the
 29 parcel were assessed and subject to property taxation for the
 30 2007 and 2008 assessment dates, and the assessed value of the
 31 parcel for the 2007 assessment date is more than five (5) times
 32 the assessed value of the parcel for the March 1, 2005,
 33 assessment date.

34 (2) The American Legion failed to file a timely application
 35 under IC 6-1.1-11 for a property tax exemption for the land
 36 and improvements and personal property described in
 37 subdivision (1) for the 2007 and 2008 assessment dates.

38 (3) For the 2009 assessment date, the American Legion filed

1 **a timely application under IC 6-1.1-11 for a property tax**
 2 **exemption for the land and improvements and personal**
 3 **property described in subdivision (1) and the exemption**
 4 **application was granted.**

5 **(4) For the 2007 and 2008 assessment dates, the land and**
 6 **improvements and personal property described in subdivision**
 7 **(1) would have been eligible for property tax exemption if the**
 8 **American Legion:**

9 **(A) had on each of these assessment dates:**

10 **(i) owned the land and improvements and personal**
 11 **property; and**

12 **(ii) used the land and improvements and personal**
 13 **property for the same purposes for which the American**
 14 **Legion used the land and improvements on March 1,**
 15 **2006; and**

16 **(B) had timely filed an exemption application under**
 17 **IC 6-1.1-11.**

18 **(b) Notwithstanding IC 6-1.1-11 or any other law specifying the**
 19 **date by which an application for property tax exemption must be**
 20 **filed to claim an exemption for the 2007 and 2008 assessment dates,**
 21 **an American Legion described in subsection (a) may before July 1,**
 22 **2010, file with the county assessor an application for property tax**
 23 **exemption for the land and improvements and personal property**
 24 **described in subsection (a)(1) for the 2007 and 2008 assessment**
 25 **dates.**

26 **(c) Notwithstanding IC 6-1.1-11 or any other law, an application**
 27 **for property tax exemption that is filed under subsection (b) is**
 28 **considered to be timely filed for the 2007 and 2008 assessment**
 29 **dates, and the county assessor shall forward the application to the**
 30 **county property tax assessment board of appeals for review. The**
 31 **board shall grant an exemption claimed for the 2007 and 2008**
 32 **assessment dates if the board determines the American Legion's**
 33 **application for property tax exemption satisfies the requirements**
 34 **of this SECTION.**

35 **(d) This SECTION expires January 1, 2011.**

36 **SECTION 49. [EFFECTIVE JUNE 30, 2009 (RETROACTIVE)] (a)**
 37 **An entity described in P.L.182-2009(ss), SECTION 479 is ineligible**
 38 **under P.L.182-2009(ss), SECTION 479 to file a property tax**

1 exemption application within the time permitted by
2 P.L.182-2009(ss), SECTION 479, unless, in addition to complying
3 with P.L.182-2009(ss), SECTION 479, the entity that owned the
4 property:

5 (1) timely filed a property tax exemption in a preceding year
6 after 1999 for the same or a substantially similar use and was
7 granted a property tax exemption under IC 6-1.1-10-16 for
8 that use for the year or years covered by that application and
9 was an organization that was exempt from federal adjusted
10 gross income taxes under Section 501(c)(3) of the Internal
11 Revenue Code;

12 (2) was formed to finance improvements to the property and
13 permit an organization that was exempt from federal adjusted
14 gross income taxes under Section 501(c)(3) of the Internal
15 Revenue Code to predominately use the property and the
16 nonprofit organization:

17 (A) had an ownership interest in the entity owning the
18 property; and

19 (B) predominately used the property as a community
20 center or center for working families to provide programs
21 to persons of all ages, such as programs for working
22 families, child care programs, senior citizen programs,
23 social development programs, and community outreach
24 programs; or

25 (3) was an organization that was exempt from federal
26 adjusted gross income taxes under Section 501(c)(3) of the
27 Internal Revenue Code and predominately used the property
28 as a community center or center for working families to
29 provide programs to persons of all ages, such as programs for
30 working families, child care programs, senior citizen
31 programs, social development programs, and community
32 outreach programs.

33 (b) Neither P.L.182-2009(ss), SECTION 479 nor this SECTION
34 permits a property tax exemption for an entity that would not have
35 qualified for the exemption under IC 6-1.1-10-16 had the
36 application been timely filed in conformity with IC 6-1.1-11.

37 (c) The property tax assessment board of appeals shall deny a
38 property tax exemption application filed within the period specified

1 **in P.L.182-2009(ss), SECTION 479 and dismiss any related**
2 **proceeding initiated under P.L.182-2009(ss), SECTION 479 unless**
3 **the entity and property also meet the requirements of this**
4 **SECTION.**

5 **(d) This SECTION expires January 1, 2012."**

6 Renumber all SECTIONS consecutively.

(Reference is to HB 1086 as reprinted February 2, 2010.)

and when so amended that said bill do pass.

Committee Vote: Yeas 10, Nays 0.

Hershman

Chairperson