

COMMITTEE REPORT

MADAM PRESIDENT:

The Senate Committee on Appropriations, to which was referred House Bill No. 1244, 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 6-1.1-1-14.5 IS ADDED TO THE INDIANA
4 CODE AS A NEW SECTION TO READ AS FOLLOWS
5 [EFFECTIVE JULY 1, 2011]: **Sec. 14.5. (a) "Qualified installment**
6 **contract" means the following:**
7 **(1) A contract for the purchase of real property that complies**
8 **with each of the requirements in subsection (b).**
9 **(2) A contract for:**
10 **(A) the purchase of a mobile home not assessed as real**
11 **property; or**
12 **(B) a manufactured home that is not assessed as real**
13 **property;**
14 **that complies with each of the requirements in subsection (c).**
15 **(b) A contract for the purchase of real property is a qualified**
16 **installment contract if the contract complies with each of the**
17 **following requirements:**
18 **(1) The contract or a memorandum of the contract is**
19 **recorded in the county recorder's office of the county in which**
20 **the real property is located.**
21 **(2) The contract requires the buyer to pay the property taxes**

1 **on the real property.**

2 **(3) The contract specifies the total contract price.**

3 **(4) The contract requires the seller to issue a deed or other**
 4 **evidence of title to the buyer upon the buyer's payment of the**
 5 **total contract price.**

6 **(c) A contract for the purchase of a mobile home not assessed as**
 7 **real property or a manufactured home that is not assessed as real**
 8 **property is a qualified installment contract if the contract complies**
 9 **with each of the following requirements:**

10 **(1) The contract or a memorandum of the contract is**
 11 **recorded with the county recorder's office of the county in**
 12 **which the mobile home or manufactured home is located.**

13 **(2) The contract requires the buyer to pay the property taxes**
 14 **on the mobile home or manufactured home.**

15 SECTION 2. IC 6-1.1-10-24 IS AMENDED TO READ AS
 16 FOLLOWS [EFFECTIVE JANUARY 1, 2008 (RETROACTIVE)]:
 17 Sec. 24. (a) Subject to the limitations contained in subsection (b) of this
 18 section, the following tangible property is exempt from property
 19 taxation if it is owned by a fraternity or sorority **that is exempt from**
 20 **federal income taxation under Section 501(c)(3) or Section**
 21 **501(c)(7) of the Internal Revenue Code:**

22 (1) a tract of land; ~~not exceeding one (1) acre;~~

23 (2) the improvements situated on the tract of land; and

24 (3) all personal property.

25 (b) This exemption does not apply unless:

26 (1) the fraternity or sorority is connected with **or related to**, and
 27 under the supervision of, a college, university, or other
 28 educational institution; ~~and~~ **or**

29 (2) the property is used ~~exclusively~~ by the fraternity or sorority to
 30 carry out its purpose, **including as an international, national,**
 31 **state, or local headquarters or to support the administrative,**
 32 **executive, or other functions associated with the operation of**
 33 **a fraternity or sorority.**

34 **(c) For purposes of this section, "fraternity or sorority"**
 35 **includes:**

36 **(1) a fraternity or sorority that is connected with or related to,**
 37 **and under the supervision of, a college, university, or other**
 38 **educational institution;**

1 **(2) an international, national, state, or local fraternity or**
 2 **sorority that administers, coordinates, operates, or governs**
 3 **fraternity or sorority chapters, units, divisions, or other**
 4 **groups or group members that are connected with or related**
 5 **to, and under the supervision of, a college, university, or other**
 6 **educational institution;**

7 **(3) a foundation related to a fraternity or sorority; or**

8 **(4) a housing corporation or similar entity related to a**
 9 **fraternity or sorority.**

10 **(d) To qualify for the exemption allowed by this section, the**
 11 **property may be owned, occupied, or used by more than one (1)**
 12 **fraternity or sorority, as long as the property is used to carry out**
 13 **the purposes of fraternities or sororities.**

14 SECTION 3. IC 6-1.1-11-4, AS AMENDED BY P.L.182-2009(ss),
 15 SECTION 107, IS AMENDED TO READ AS FOLLOWS
 16 [EFFECTIVE JANUARY 1, 2008 (RETROACTIVE)]: Sec. 4. (a) The
 17 exemption application referred to in section 3 of this chapter is not
 18 required if the exempt property is owned by the United States, the state,
 19 an agency of this state, or a political subdivision (as defined in
 20 IC 36-1-2-13). However, this subsection applies only when the property
 21 is used, and in the case of real property occupied, by the owner.

22 (b) The exemption application referred to in section 3 of this chapter
 23 is not required if the exempt property is a cemetery:

24 (1) described by IC 6-1.1-2-7; or

25 (2) maintained by a township executive under IC 23-14-68.

26 (c) The exemption application referred to in section 3 of this chapter
 27 is not required if the exempt property is owned by the bureau of motor
 28 vehicles commission established under IC 9-15-1.

29 (d) The exemption application referred to in section 3 or 3.5 of this
 30 chapter is not required if:

31 (1) the exempt property is:

32 (A) tangible property used for religious purposes described in
 33 IC 6-1.1-10-21;

34 (B) tangible property owned by a church or religious society
 35 used for educational purposes described in IC 6-1.1-10-16; ~~or~~

36 (C) other tangible property owned, occupied, and used by a
 37 person for educational, literary, scientific, religious, or
 38 charitable purposes described in IC 6-1.1-10-16; ~~or~~

1 **(D) other tangible property owned by a fraternity or**
 2 **sorority (as defined in IC 6-1.1-10-24).**

3 (2) the exemption application referred to in section 3 or 3.5 of this
 4 chapter was filed properly at least once for a religious use under
 5 IC 6-1.1-10-21, ~~or~~ an educational, literary, scientific, religious, or
 6 charitable use under IC 6-1.1-10-16, **or use by a fraternity or**
 7 **sorority under IC 6-1.1-10-24;** and

8 (3) the property continues to meet the requirements for an
 9 exemption under IC 6-1.1-10-16, ~~or~~ IC 6-1.1-10-21, **or**
 10 **IC 6-1.1-10-24.**

11 A change in ownership of property does not terminate an exemption of
 12 the property if after the change in ownership the property continues to
 13 meet the requirements for an exemption under IC 6-1.1-10-16, ~~or~~
 14 IC 6-1.1-10-21, **or IC 6-1.1-10-24.** However, if title to any of the real
 15 property subject to the exemption changes or any of the tangible
 16 property subject to the exemption is used for a nonexempt purpose after
 17 the date of the last properly filed exemption application, the person that
 18 obtained the exemption or the current owner of the property shall notify
 19 the county assessor for the county where the tangible property is
 20 located of the change in the year that the change occurs. The notice
 21 must be in the form prescribed by the department of local government
 22 finance. If the county assessor discovers that title to property granted
 23 an exemption described in IC 6-1.1-10-16, ~~or~~ IC 6-1.1-10-21, **or**
 24 **IC 6-1.1-10-24** has changed, the county assessor shall notify the
 25 persons entitled to a tax statement under IC 6-1.1-22-8.1 for the
 26 property of the change in title and indicate that the county auditor will
 27 suspend the exemption for the property until the persons provide the
 28 county assessor with an affidavit, signed under penalties of perjury, that
 29 identifies the new owners of the property and indicates that the
 30 property continues to meet the requirements for an exemption under
 31 IC 6-1.1-10-21, ~~or~~ IC 6-1.1-10-16, **or IC 6-1.1-10-24.** Upon receipt of
 32 the affidavit, the county assessor shall reinstate the exemption for the
 33 years for which the exemption was suspended and each year thereafter
 34 that the property continues to meet the requirements for an exemption
 35 under IC 6-1.1-10-21, ~~or~~ IC 6-1.1-10-16, **or IC 6-1.1-10-24.**

36 SECTION 4. IC 6-1.1-11-4.5 IS ADDED TO THE INDIANA
 37 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
 38 [EFFECTIVE UPON PASSAGE]: **Sec. 4.5. (a) This section applies to**

1 a taxpayer notwithstanding this chapter or any other law or
2 administrative rule or provision.

3 (b) This section applies to an assessment date, as defined in
4 IC 6-1.1-1-2, occurring in 2010 through 2016, and is referred to in
5 this section as the "applicable assessment date".

6 (c) As used in this section, "taxpayer" refers to a person, as
7 defined in IC 6-1.1-1-10, that:

8 (1) leases real property to the bureau of motor vehicles or the
9 bureau of motor vehicles commission as of an applicable
10 assessment date; and

11 (2) filed or refiled after January 15, 2010, and before January
12 25, 2010, in a manner consistent with IC 6-1.1-36-1.5, a Form
13 136 property tax exemption application, along with any
14 supporting documents, schedules, or attachments, claiming an
15 exemption from real property taxes under IC 36-1-10-18 for
16 property leased to the bureau of motor vehicles or bureau of
17 motor vehicles commission for an assessment date that is
18 before 2010.

19 (d) If the real property identified in the Form 136 property tax
20 exemption application referred to in subsection (c)(2) at any time
21 received a full or partial exemption from real property taxes for an
22 assessment date that is before an applicable assessment date, the
23 taxpayer is entitled to an exemption from real property taxes for
24 each applicable assessment date for all property leased to the
25 bureau of motor vehicles or bureau of motor vehicles commission
26 for that applicable assessment date. The taxpayer is not required
27 to pay property taxes, penalties, or interest with respect to the
28 exempt property.

29 (e) The exemption allowed by this section shall be applied by the
30 auditor of the county in which the real property exempt under this
31 section is located without the taxpayer having to annually file or
32 refile an exemption application under section 3 of this chapter.

33 (f) The part of the real property that is exempt under this
34 section shall be based on the square footage of the real property
35 leased to the bureau of motor vehicles or bureau of motor vehicles
36 commission. The county auditor may request from the taxpayer
37 information that is reasonably necessary to demonstrate:

38 (1) that the real property is leased to the bureau of motor

1 **vehicles or bureau of motor vehicles commission as of a**
 2 **particular applicable assessment date; and**
 3 **(2) the appropriate exemption percentage.**

4 **The auditor of the county in which the real property exempt under**
 5 **this section is located shall apply the same exemption percentage**
 6 **to both the land and improvements owned by the taxpayer.**

7 **(g) The county assessor or the property tax assessment board of**
 8 **appeals of the county in which the real property exempt under this**
 9 **section is located may not exercise any authority over the**
 10 **exemption and may not disapprove the exemption. The exemption**
 11 **allowed by this section applies regardless of whether the property**
 12 **tax assessment board of appeals of the county in which the**
 13 **property exempt under this section is located has previously denied**
 14 **the exemption for an applicable assessment date.**

15 **(h) This section expires January 1, 2018.**

16 SECTION 5. IC 6-1.1-12-1, AS AMENDED BY P.L.81-2010,
 17 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 18 JULY 1, 2011]: Sec. 1. (a) Each year a person who is a resident of this
 19 state may receive a deduction from the assessed value of:

20 (1) mortgaged real property, an installment loan financed mobile
 21 home that is not assessed as real property, or an installment loan
 22 financed manufactured home that is not assessed as real property,
 23 with the mortgage or installment loan instrument recorded with
 24 the county recorder's office, that the person owns;

25 (2) real property, a mobile home that is not assessed as real
 26 property, or a manufactured home that is not assessed as real
 27 property that the person is buying under a **qualified installment**
 28 **contract; with the contract or a memorandum of the contract**
 29 **recorded in the county recorder's office; which provides that the**
 30 **person is to pay the property taxes on the real property, mobile**
 31 **home; or manufactured home; or**

32 (3) real property, a mobile home that is not assessed as real
 33 property, or a manufactured home that the person owns or is
 34 buying on a **qualified installment** contract ~~described in~~
 35 ~~subdivision (2)~~ on which the person has a home equity line of
 36 credit that is recorded in the county recorder's office.

37 (b) Except as provided in section 40.5 of this chapter, the total
 38 amount of the deduction which the person may receive under this

1 section for a particular year is:

- 2 (1) the balance of the mortgage or contract indebtedness
 3 (including a home equity line of credit) on the assessment date of
 4 that year;
 5 (2) one-half (1/2) of the assessed value of the real property,
 6 mobile home, or manufactured home; or
 7 (3) three thousand dollars (\$3,000);

8 whichever is least.

9 (c) A person who has sold real property, a mobile home not assessed
 10 as real property, or a manufactured home not assessed as real property
 11 to another person under a **qualified installment** contract ~~which~~
 12 ~~provides that the contract buyer is to pay the property taxes on the real~~
 13 ~~property, mobile home, or manufactured home~~ may not claim the
 14 deduction provided under this section with respect to that real property,
 15 mobile home, or manufactured home.

16 (d) The person must:

- 17 (1) own the real property, mobile home, or manufactured home;
 18 or
 19 (2) be buying the real property, mobile home, or manufactured
 20 home under a **qualified installment** contract;

21 on the date the statement is filed under section 2 of this chapter.

22 SECTION 6. IC 6-1.1-12-2, AS AMENDED BY P.L.81-2010,
 23 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 24 JULY 1, 2011]: Sec. 2. (a) Except as provided in section 17.8 of this
 25 chapter and subject to section 45 of this chapter, for a person to qualify
 26 for the deduction provided by section 1 of this chapter a statement must
 27 be filed under subsection (b) or (c). Regardless of the manner in which
 28 a statement is filed, the mortgage, **qualified installment** contract, or
 29 memorandum (including a home equity line of credit) must be recorded
 30 with the county recorder's office to qualify for a deduction under
 31 section 1 of this chapter.

32 (b) Subject to subsection (c), to apply for the deduction under
 33 section 1 of this chapter with respect to real property, the person
 34 recording the mortgage, home equity line of credit, **qualified**
 35 **installment** contract, or memorandum of the contract with the county
 36 recorder may file a written statement with the county recorder
 37 containing the information described in subsection (e)(1), (e)(2), (e)(3),
 38 (e)(4), (e)(6), (e)(7), and (e)(8). The statement must be prepared on the

1 form prescribed by the department of local government finance and be
2 signed by the property owner or contract purchaser under the penalties
3 of perjury. The form must have a place for the county recorder to insert
4 the record number and page where the mortgage, home equity line of
5 credit, **qualified installment** contract, or memorandum of the contract
6 is recorded. Upon receipt of the form and the recording of the
7 mortgage, home equity line of credit, **qualified installment** contract,
8 or memorandum of the contract, the county recorder shall insert on the
9 form the record number and page where the mortgage, home equity line
10 of credit, **qualified installment** contract, or memorandum of the
11 contract is recorded and forward the completed form to the county
12 auditor. The county recorder may not impose a charge for the county
13 recorder's duties under this subsection. The statement must be
14 completed and dated in the calendar year for which the person wishes
15 to obtain the deduction and filed with the county recorder on or before
16 January 5 of the immediately succeeding calendar year.

17 (c) With respect to:

18 (1) real property as an alternative to a filing under subsection (b);

19 or

20 (2) a mobile home that is not assessed as real property or a
21 manufactured home that is not assessed as real property;

22 to apply for a deduction under section 1 of this chapter, a person who
23 desires to claim the deduction may file a statement in duplicate, on
24 forms prescribed by the department of local government finance, with
25 the auditor of the county in which the real property, mobile home not
26 assessed as real property, or manufactured home not assessed as real
27 property is located. With respect to real property the statement must be
28 completed and dated in the calendar year for which the person wishes
29 to obtain the deduction and filed with the county auditor on or before
30 January 5 of the immediately succeeding calendar year. With respect
31 to a mobile home that is not assessed as real property or a
32 manufactured home that is not assessed as real property, the statement
33 must be filed during the twelve (12) months before March 31 of each
34 year for which the individual wishes to obtain the deduction. The
35 statement may be filed in person or by mail. If mailed, the mailing must
36 be postmarked on or before the last day for filing. In addition to the
37 statement required by this subsection, a contract buyer who desires to
38 claim the deduction must submit a copy of the recorded **qualified**

1 **installment** contract or recorded memorandum of the contract, which
 2 must contain a legal description sufficient to meet the requirements of
 3 IC 6-1.1-5, with the first statement that the buyer files under this
 4 section with respect to a particular parcel of real property.

5 (d) Upon receipt of:

6 (1) the statement under subsection (b); or

7 (2) the statement under subsection (c) and the recorded **qualified**
 8 **installment** contract or recorded memorandum of the contract;
 9 the county auditor shall assign a separate description and identification
 10 number to the parcel of real property being sold under the **qualified**
 11 **installment** contract.

12 (e) The statement referred to in subsections (b) and (c) must be
 13 verified under penalties for perjury. The statement must contain the
 14 following information:

15 (1) The balance of the person's mortgage, home equity line of
 16 credit, or **qualified installment** contract indebtedness that is
 17 recorded in the county recorder's office on the assessment date of
 18 the year for which the deduction is claimed.

19 (2) The assessed value of the real property, mobile home, or
 20 manufactured home.

21 (3) The full name and complete residence address of the person
 22 and of the mortgagee or contract seller.

23 (4) The name and residence of any assignee or bona fide owner or
 24 holder of the mortgage, home equity line of credit, or **qualified**
 25 **installment** contract, if known, and if not known, the person shall
 26 state that fact.

27 (5) The record number and page where the mortgage, **qualified**
 28 **installment** contract, or memorandum of the contract is recorded.

29 (6) A brief description of the real property, mobile home, or
 30 manufactured home which is encumbered by the mortgage or
 31 home equity line of credit or sold under the **qualified installment**
 32 contract.

33 (7) If the person is not the sole legal or equitable owner of the real
 34 property, mobile home, or manufactured home, the exact share of
 35 the person's interest in it.

36 (8) The name of any other county in which the person has applied
 37 for a deduction under this section and the amount of deduction
 38 claimed in that application.

1 (f) The authority for signing a deduction application filed under this
 2 section may not be delegated by the real property, mobile home, or
 3 manufactured home owner or contract buyer to any person except upon
 4 an executed power of attorney. The power of attorney may be contained
 5 in the recorded mortgage, **qualified installment** contract, or
 6 memorandum of the contract, or in a separate instrument.

7 (g) A closing agent (as defined in section 43(a)(2) of this chapter)
 8 is not liable for any damages claimed by the property owner or contract
 9 purchaser because of:

10 (1) the closing agent's failure to provide the written statement
 11 described in subsection (b);

12 (2) the closing agent's failure to file the written statement
 13 described in subsection (b);

14 (3) any omission or inaccuracy in the written statement described
 15 in subsection (b) that is filed with the county recorder by the
 16 closing agent; or

17 (4) any determination made with respect to a property owner's or
 18 contract purchaser's eligibility for the deduction under section 1
 19 of this chapter.

20 (h) The county recorder may not refuse to record a mortgage,
 21 **qualified installment** contract, or memorandum because the written
 22 statement described in subsection (b):

23 (1) is not included with the mortgage, home equity line of credit,
 24 **qualified installment** contract, or memorandum of the contract;

25 (2) does not contain the signatures required by subsection (b);

26 (3) does not contain the information described in subsection (e);
 27 or

28 (4) is otherwise incomplete or inaccurate.

29 (i) The form prescribed by the department of local government
 30 finance under subsection (b) and the instructions for the form must
 31 both include a statement:

32 (1) that explains that a person is not entitled to a deduction under
 33 section 1 of this chapter unless the person has a balance on the
 34 person's mortgage or contract indebtedness that is recorded in the
 35 county recorder's office (including any home equity line of credit
 36 that is recorded in the county recorder's office) that is the basis for
 37 the deduction; and

38 (2) that specifies the penalties for perjury.

1 (j) The department of local government finance shall develop a
 2 notice:

- 3 (1) that must be displayed in a place accessible to the public in
 4 the office of each county auditor;
- 5 (2) that includes the information described in subsection (i); and
- 6 (3) that explains that the form prescribed by the department of
 7 local government finance to claim the deduction under section 1
 8 of this chapter must be signed by the property owner or contract
 9 purchaser under the penalties of perjury.

10 SECTION 7. IC 6-1.1-12-9, AS AMENDED BY P.L.113-2010,
 11 SECTION 23, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 12 JULY 1, 2011]: Sec. 9. (a) An individual may obtain a deduction from
 13 the assessed value of the individual's real property, or mobile home or
 14 manufactured home which is not assessed as real property, if:

- 15 (1) the individual is at least sixty-five (65) years of age on or
 16 before December 31 of the calendar year preceding the year in
 17 which the deduction is claimed;
- 18 (2) the combined adjusted gross income (as defined in Section 62
 19 of the Internal Revenue Code) of:
 - 20 (A) the individual and the individual's spouse; or
 - 21 (B) the individual and all other individuals with whom:
 - 22 (i) the individual shares ownership; or
 - 23 (ii) the individual is purchasing the property under a
 24 contract;

25 as joint tenants or tenants in common;
 26 for the calendar year preceding the year in which the deduction is
 27 claimed did not exceed twenty-five thousand dollars (\$25,000);

- 28 (3) the individual has owned the real property, mobile home, or
 29 manufactured home for at least one (1) year before claiming the
 30 deduction; or the individual has been buying the real property,
 31 mobile home, or manufactured home under a **qualified**
 32 **installment** contract that provides that the individual is to pay the
 33 property taxes on the real property, mobile home, or manufactured
 34 home for at least one (1) year before claiming the deduction, and
 35 the contract or a memorandum of the contract is recorded in the
 36 county recorder's office;

- 37 (4) the individual and any individuals covered by subdivision
 38 (2)(B) reside on the real property, mobile home, or manufactured

- 1 home;
- 2 (5) the assessed value of the real property, mobile home, or
3 manufactured home does not exceed one hundred eighty-two
4 thousand four hundred thirty dollars (\$182,430);
- 5 (6) the individual receives no other property tax deduction for the
6 year in which the deduction is claimed, except the deductions
7 provided by sections 1, 37, (for assessment dates after February
8 28, 2008) 37.5, and 38 of this chapter; and
- 9 (7) the person:
- 10 (A) owns the real property, mobile home, or manufactured
11 home; or
- 12 (B) is buying the real property, mobile home, or manufactured
13 home under a **qualified installment** contract;
14 on the date the statement required by section 10.1 of this chapter
15 is filed.
- 16 (b) Except as provided in subsection (h), in the case of real property,
17 an individual's deduction under this section equals the lesser of:
- 18 (1) one-half (1/2) of the assessed value of the real property; or
19 (2) twelve thousand four hundred eighty dollars (\$12,480).
- 20 (c) Except as provided in subsection (h) and section 40.5 of this
21 chapter, in the case of a mobile home that is not assessed as real
22 property or a manufactured home which is not assessed as real
23 property, an individual's deduction under this section equals the lesser
24 of:
- 25 (1) one-half (1/2) of the assessed value of the mobile home or
26 manufactured home; or
27 (2) twelve thousand four hundred eighty dollars (\$12,480).
- 28 (d) An individual may not be denied the deduction provided under
29 this section because the individual is absent from the real property,
30 mobile home, or manufactured home while in a nursing home or
31 hospital.
- 32 (e) For purposes of this section, if real property, a mobile home, or
33 a manufactured home is owned by:
- 34 (1) tenants by the entirety;
35 (2) joint tenants; or
36 (3) tenants in common;
- 37 only one (1) deduction may be allowed. However, the age requirement
38 is satisfied if any one (1) of the tenants is at least sixty-five (65) years

1 of age.

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

4 (1) the surviving spouse is at least sixty (60) years of age on or
5 before December 31 of the calendar year preceding the year in
6 which the deduction is claimed;

7 (2) the surviving spouse's deceased husband or wife was at least
8 sixty-five (65) years of age at the time of a death;

9 (3) the surviving spouse has not remarried; and

10 (4) the surviving spouse satisfies the requirements prescribed in
11 subsection (a)(2) through (a)(7).

12 (g) An individual who has sold real property to another person
13 under a **qualified installment** contract ~~that provides that the contract~~
14 ~~buyer is to pay the property taxes on the real property~~ may not claim
15 the deduction provided under this section against that real property.

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

22 SECTION 8. IC 6-1.1-12-10.1, AS AMENDED BY P.L.144-2008,
23 SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
24 JULY 1, 2011]: Sec. 10.1. (a) Except as provided in section 17.8 of this
25 chapter and subject to section 45 of this chapter, an individual who
26 desires to claim the deduction provided by section 9 of this chapter
27 must file a sworn statement, on forms prescribed by the department of
28 local government finance, with the auditor of the county in which the
29 real property, mobile home, or manufactured home is located. With
30 respect to real property, the statement must be filed during the year for
31 which the individual wishes to obtain the deduction. With respect to a
32 mobile home that is not assessed as real property or a manufactured
33 home that is not assessed as real property, the statement must be filed
34 during the twelve (12) months before March 31 of each year for which
35 the individual wishes to obtain the deduction. The statement may be
36 filed in person or by mail. If mailed, the mailing must be postmarked
37 on or before the last day for filing.

38 (b) The statement referred to in subsection (a) shall be in affidavit

1 form or require verification under penalties of perjury. The statement
 2 must be filed in duplicate if the applicant owns, or is buying under a
 3 contract, real property, a mobile home, or a manufactured home subject
 4 to assessment in more than one (1) county or in more than one (1)
 5 taxing district in the same county. The statement shall contain:

- 6 (1) the source and exact amount of gross income received by the
 7 individual and the individual's spouse during the preceding
 8 calendar year;
- 9 (2) the description and assessed value of the real property, mobile
 10 home, or manufactured home;
- 11 (3) the individual's full name and complete residence address;
- 12 (4) the record number and page where the contract or
 13 memorandum of the contract is recorded if the individual is
 14 buying the real property, mobile home, or manufactured home on
 15 **a qualified installment** contract; and
- 16 (5) any additional information which the department of local
 17 government finance may require.

18 (c) In order to substantiate the deduction statement, the applicant
 19 shall submit for inspection by the county auditor a copy of the
 20 applicant's and a copy of the applicant's spouse's income tax returns for
 21 the preceding calendar year. If either was not required to file an income
 22 tax return, the applicant shall subscribe to that fact in the deduction
 23 statement.

24 SECTION 9. IC 6-1.1-12-11, AS AMENDED BY P.L.1-2010,
 25 SECTION 23, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 26 JULY 1, 2011]: Sec. 11. (a) Except as provided in section 40.5 of this
 27 chapter, an individual may have the sum of twelve thousand four
 28 hundred eighty dollars (\$12,480) deducted from the assessed value of
 29 real property, mobile home not assessed as real property, or
 30 manufactured home not assessed as real property that the individual
 31 owns, or that the individual is buying under a **qualified installment**
 32 contract ~~that provides that the individual is to pay property taxes on the~~
 33 ~~real property, mobile home, or manufactured home, if the contract or~~
 34 ~~a memorandum of the contract is recorded in the county recorder's~~
 35 ~~office, and if:~~

- 36 (1) the individual is blind or the individual has a disability;
- 37 (2) the real property, mobile home, or manufactured home is
 38 principally used and occupied by the individual as the individual's

- 1 residence;
- 2 (3) the individual's taxable gross income for the calendar year
- 3 preceding the year in which the deduction is claimed did not
- 4 exceed seventeen thousand dollars (\$17,000); and
- 5 (4) the individual:
- 6 (A) owns the real property, mobile home, or manufactured
- 7 home; or
- 8 (B) is buying the real property, mobile home, or manufactured
- 9 home under a **qualified installment** contract;
- 10 on the date the statement required by section 12 of this chapter is
- 11 filed.
- 12 (b) For purposes of this section, taxable gross income does not
- 13 include income which is not taxed under the federal income tax laws.
- 14 (c) For purposes of this section, "blind" has the same meaning as the
- 15 definition contained in IC 12-7-2-21(1).
- 16 (d) For purposes of this section, "individual with a disability" means
- 17 a person unable to engage in any substantial gainful activity by reason
- 18 of a medically determinable physical or mental impairment which:
- 19 (1) can be expected to result in death; or
- 20 (2) has lasted or can be expected to last for a continuous period of
- 21 not less than twelve (12) months.
- 22 (e) An individual with a disability filing a claim under this section
- 23 shall submit proof of disability in such form and manner as the
- 24 department shall by rule prescribe. Proof that a claimant is eligible to
- 25 receive disability benefits under the federal Social Security Act (42
- 26 U.S.C. 301 et seq.) shall constitute proof of disability for purposes of
- 27 this section.
- 28 (f) An individual with a disability not covered under the federal
- 29 Social Security Act shall be examined by a physician and the
- 30 individual's status as an individual with a disability determined by
- 31 using the same standards as used by the Social Security Administration.
- 32 The costs of this examination shall be borne by the claimant.
- 33 (g) An individual who has sold real property, a mobile home not
- 34 assessed as real property, or a manufactured home not assessed as real
- 35 property to another person under a **qualified installment** contract ~~that~~
- 36 ~~provides that the contract buyer is to pay the property taxes on the real~~
- 37 ~~property; mobile home; or manufactured home~~ may not claim the
- 38 deduction provided under this section against that real property, mobile

1 home, or manufactured home.

2 SECTION 10. IC 6-1.1-12-12, AS AMENDED BY P.L.1-2009,
 3 SECTION 29, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 4 JULY 1, 2011]: Sec. 12. (a) Except as provided in section 17.8 of this
 5 chapter and subject to section 45 of this chapter, a person who desires
 6 to claim the deduction provided in section 11 of this chapter must file
 7 an application, on forms prescribed by the department of local
 8 government finance, with the auditor of the county in which the real
 9 property, mobile home not assessed as real property, or manufactured
 10 home not assessed as real property is located. With respect to real
 11 property, the application must be filed during the year for which the
 12 individual wishes to obtain the deduction. With respect to a mobile
 13 home that is not assessed as real property or a manufactured home that
 14 is not assessed as real property, the application must be filed during the
 15 twelve (12) months before March 31 of each year for which the
 16 individual wishes to obtain the deduction. The application may be filed
 17 in person or by mail. If mailed, the mailing must be postmarked on or
 18 before the last day for filing.

19 (b) Proof of blindness may be supported by:

- 20 (1) the records of the division of family resources or the division
 21 of disability and rehabilitative services; or
 22 (2) the written statement of a physician who is licensed by this
 23 state and skilled in the diseases of the eye or of a licensed
 24 optometrist.

25 (c) The application required by this section must contain the record
 26 number and page where the **qualified installment** contract or
 27 memorandum of the contract is recorded if the individual is buying the
 28 real property, mobile home, or manufactured home on a **qualified**
 29 **installment** contract. ~~that provides that the individual is to pay property~~
 30 ~~taxes on the real property, mobile home, or manufactured home.~~

31 SECTION 11. IC 6-1.1-12-13, AS AMENDED BY P.L.1-2010,
 32 SECTION 24, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 33 JULY 1, 2011]: Sec. 13. (a) Except as provided in section 40.5 of this
 34 chapter an individual may have twenty-four thousand nine hundred
 35 sixty dollars (\$24,960) deducted from the assessed value of the taxable
 36 tangible property that the individual owns, or real property, a mobile
 37 home not assessed as real property, or a manufactured home not
 38 assessed as real property that the individual is buying under a **qualified**

1 **installment** contract ~~that provides that the individual is to pay property~~
 2 ~~taxes on the real property, mobile home, or manufactured home, if the~~
 3 ~~contract or a memorandum of the contract is recorded in the county~~
 4 ~~recorder's office and if:~~

5 (1) the individual served in the military or naval forces of the
 6 United States during any of its wars;

7 (2) the individual received an honorable discharge;

8 (3) the individual has a disability with a service connected
 9 disability of ten percent (10%) or more;

10 (4) the individual's disability is evidenced by:

11 (A) a pension certificate, an award of compensation, or a
 12 disability compensation check issued by the United States
 13 Department of Veterans Affairs; or

14 (B) a certificate of eligibility issued to the individual by the
 15 Indiana department of veterans' affairs after the Indiana
 16 department of veterans' affairs has determined that the
 17 individual's disability qualifies the individual to receive a
 18 deduction under this section; and

19 (5) the individual:

20 (A) owns the real property, mobile home, or manufactured
 21 home; or

22 (B) is buying the real property, mobile home, or manufactured
 23 home under a **qualified installment** contract;

24 on the date the statement required by section 15 of this chapter is
 25 filed.

26 (b) The surviving spouse of an individual may receive the deduction
 27 provided by this section if the individual would qualify for the
 28 deduction if the individual were alive.

29 (c) One who receives the deduction provided by this section may not
 30 receive the deduction provided by section 16 of this chapter. However,
 31 the individual may receive any other property tax deduction which the
 32 individual is entitled to by law.

33 (d) An individual who has sold real property, a mobile home not
 34 assessed as real property, or a manufactured home not assessed as real
 35 property to another person under a **qualified installment** contract ~~that~~
 36 ~~provides that the contract buyer is to pay the property taxes on the real~~
 37 ~~property, mobile home, or manufactured home~~ may not claim the
 38 deduction provided under this section against that real property, mobile

1 home, or manufactured home.

2 SECTION 12. IC 6-1.1-12-14, AS AMENDED BY P.L.1-2009,
 3 SECTION 30, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 4 JULY 1, 2011]: Sec. 14. (a) Except as provided in subsection (c) and
 5 except as provided in section 40.5 of this chapter, an individual may
 6 have the sum of twelve thousand four hundred eighty dollars (\$12,480)
 7 deducted from the assessed value of the tangible property that the
 8 individual owns (or the real property, mobile home not assessed as real
 9 property, or manufactured home not assessed as real property that the
 10 individual is buying under a **qualified installment** contract) ~~that~~
 11 ~~provides that the individual is to pay property taxes on the real~~
 12 ~~property, mobile home, or manufactured home if the contract or a~~
 13 ~~memorandum of the contract is recorded in the county recorder's office)~~
 14 if:

- 15 (1) the individual served in the military or naval forces of the
 16 United States for at least ninety (90) days;
 17 (2) the individual received an honorable discharge;
 18 (3) the individual either:
 19 (A) has a total disability; or
 20 (B) is at least sixty-two (62) years old and has a disability of at
 21 least ten percent (10%);
 22 (4) the individual's disability is evidenced by:
 23 (A) a pension certificate or an award of compensation issued
 24 by the United States Department of Veterans Affairs; or
 25 (B) a certificate of eligibility issued to the individual by the
 26 Indiana department of veterans' affairs after the Indiana
 27 department of veterans' affairs has determined that the
 28 individual's disability qualifies the individual to receive a
 29 deduction under this section; and
 30 (5) the individual:
 31 (A) owns the real property, mobile home, or manufactured
 32 home; or
 33 (B) is buying the real property, mobile home, or manufactured
 34 home under a **qualified installment** contract;
 35 on the date the statement required by section 15 of this chapter is
 36 filed.

37 (b) Except as provided in subsection (c), the surviving spouse of an
 38 individual may receive the deduction provided by this section if the

1 individual would qualify for the deduction if the individual were alive.

2 (c) No one is entitled to the deduction provided by this section if the
3 assessed value of the individual's tangible property, as shown by the tax
4 duplicate, exceeds one hundred forty-three thousand one hundred sixty
5 dollars (\$143,160).

6 (d) An individual who has sold real property, a mobile home not
7 assessed as real property, or a manufactured home not assessed as real
8 property to another person under a **qualified installment** contract ~~that~~
9 ~~provides that the contract buyer is to pay the property taxes on the real~~
10 ~~property, mobile home, or manufactured home~~ may not claim the
11 deduction provided under this section against that real property, mobile
12 home, or manufactured home.

13 SECTION 13. IC 6-1.1-12-15, AS AMENDED BY P.L.144-2008,
14 SECTION 19, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
15 JULY 1, 2011]: Sec. 15. (a) Except as provided in section 17.8 of this
16 chapter and subject to section 45 of this chapter, an individual who
17 desires to claim the deduction provided by section 13 or section 14 of
18 this chapter must file a statement with the auditor of the county in
19 which the individual resides. With respect to real property, the
20 statement must be filed during the year for which the individual wishes
21 to obtain the deduction. With respect to a mobile home that is not
22 assessed as real property or a manufactured home that is not assessed
23 as real property, the statement must be filed during the twelve (12)
24 months before March 31 of each year for which the individual wishes
25 to obtain the deduction. The statement may be filed in person or by
26 mail. If mailed, the mailing must be postmarked on or before the last
27 day for filing. The statement shall contain a sworn declaration that the
28 individual is entitled to the deduction.

29 (b) In addition to the statement, the individual shall submit to the
30 county auditor for the auditor's inspection:

- 31 (1) a pension certificate, an award of compensation, or a disability
32 compensation check issued by the United States Department of
33 Veterans Affairs if the individual claims the deduction provided
34 by section 13 of this chapter;
35 (2) a pension certificate or an award of compensation issued by
36 the United States Department of Veterans Affairs if the individual
37 claims the deduction provided by section 14 of this chapter; or
38 (3) the appropriate certificate of eligibility issued to the individual

1 by the Indiana department of veterans' affairs if the individual
2 claims the deduction provided by section 13 or 14 of this chapter.

3 (c) If the individual claiming the deduction is under guardianship,
4 the guardian shall file the statement required by this section.

5 (d) If the individual claiming a deduction under section 13 or 14 of
6 this chapter is buying real property, a mobile home not assessed as real
7 property, or a manufactured home not assessed as real property under
8 a **qualified installment** contract, ~~that provides that the individual is to~~
9 ~~pay property taxes for the real estate, mobile home, or manufactured~~
10 ~~home,~~ the statement required by this section must contain the record
11 number and page where the contract or memorandum of the contract
12 is recorded.

13 SECTION 14. IC 6-1.1-12-16, AS AMENDED BY P.L.1-2009,
14 SECTION 31, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
15 JULY 1, 2011]: Sec. 16. (a) Except as provided in section 40.5 of this
16 chapter, a surviving spouse may have the sum of eighteen thousand
17 seven hundred twenty dollars (\$18,720) deducted from the assessed
18 value of his or her tangible property, or real property, mobile home not
19 assessed as real property, or manufactured home not assessed as real
20 property that the surviving spouse is buying under a **qualified**
21 **installment** contract ~~that provides that the surviving spouse is to pay~~
22 ~~property taxes on the real property, mobile home, or manufactured~~
23 ~~home, if the contract or a memorandum of the contract is recorded in~~
24 ~~the county recorder's office, and if:~~

25 (1) the deceased spouse served in the military or naval forces of
26 the United States before November 12, 1918;

27 (2) the deceased spouse received an honorable discharge; and

28 (3) the surviving spouse:

29 (A) owns the real property, mobile home, or manufactured
30 home; or

31 (B) is buying the real property, mobile home, or manufactured
32 home under contract;

33 on the date the statement required by section 17 of this chapter is
34 filed.

35 (b) A surviving spouse who receives the deduction provided by this
36 section may not receive the deduction provided by section 13 of this
37 chapter. However, he or she may receive any other deduction which he
38 or she is entitled to by law.

1 (c) An individual who has sold real property, a mobile home not
 2 assessed as real property, or a manufactured home not assessed as real
 3 property to another person under a **qualified installment** contract ~~that~~
 4 ~~provides that the contract buyer is to pay the property taxes on the real~~
 5 ~~property, mobile home, or manufactured home~~ may not claim the
 6 deduction provided under this section against that real property, mobile
 7 home, or manufactured home.

8 SECTION 15. IC 6-1.1-12-17, AS AMENDED BY P.L.144-2008,
 9 SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 10 JULY 1, 2011]: Sec. 17. Except as provided in section 17.8 of this
 11 chapter and subject to section 45 of this chapter, a surviving spouse
 12 who desires to claim the deduction provided by section 16 of this
 13 chapter must file a statement with the auditor of the county in which
 14 the surviving spouse resides. With respect to real property, the
 15 statement must be filed during the year for which the surviving spouse
 16 wishes to obtain the deduction. With respect to a mobile home that is
 17 not assessed as real property or a manufactured home that is not
 18 assessed as real property, the statement must be filed during the twelve
 19 (12) months before March 31 of each year for which the individual
 20 wishes to obtain the deduction. The statement may be filed in person
 21 or by mail. If mailed, the mailing must be postmarked on or before the
 22 last day for filing. The statement shall contain:

23 (1) a sworn statement that the surviving spouse is entitled to the
 24 deduction; and

25 (2) the record number and page where the **qualified installment**
 26 contract or memorandum of the contract is recorded, if the
 27 individual is buying the real property on a **qualified installment**
 28 contract. ~~that provides that the individual is to pay property taxes~~
 29 ~~on the real property.~~

30 In addition to the statement, the surviving spouse shall submit to the
 31 county auditor for the auditor's inspection a letter or certificate from the
 32 United States Department of Veterans Affairs establishing the service
 33 of the deceased spouse in the military or naval forces of the United
 34 States before November 12, 1918.

35 SECTION 16. IC 6-1.1-12-17.4, AS AMENDED BY P.L.1-2009,
 36 SECTION 32, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 37 JULY 1, 2011]: Sec. 17.4. (a) Except as provided in section 40.5 of this
 38 chapter, a World War I veteran who is a resident of Indiana is entitled

1 to have the sum of eighteen thousand seven hundred twenty dollars
 2 (\$18,720) deducted from the assessed valuation of the real property
 3 (including a mobile home that is assessed as real property), mobile
 4 home that is not assessed as real property, or manufactured home that
 5 is not assessed as real property the veteran owns or is buying under a
 6 **qualified installment** contract ~~that requires the veteran to pay property~~
 7 ~~taxes on the real property; if the contract or a memorandum of the~~
 8 ~~contract is recorded in the county recorder's office; if:~~

9 (1) the real property, mobile home, or manufactured home is the
 10 veteran's principal residence;

11 (2) the assessed valuation of the real property, mobile home, or
 12 manufactured home does not exceed two hundred six thousand
 13 five hundred dollars (\$206,500);

14 (3) the veteran owns the real property, mobile home, or
 15 manufactured home for at least one (1) year before claiming the
 16 deduction; and

17 (4) the veteran:

18 (A) owns the real property, mobile home, or manufactured
 19 home; or

20 (B) is buying the real property, mobile home, or manufactured
 21 home under a **qualified installment** contract;

22 on the date the statement required by section 17.5 of this chapter
 23 is filed.

24 (b) An individual may not be denied the deduction provided by this
 25 section because the individual is absent from the individual's principal
 26 residence while in a nursing home or hospital.

27 (c) For purposes of this section, if real property, a mobile home, or
 28 a manufactured home is owned by a husband and wife as tenants by the
 29 entirety, only one (1) deduction may be allowed under this section.
 30 However, the deduction provided in this section applies if either spouse
 31 satisfies the requirements prescribed in subsection (a).

32 (d) An individual who has sold real property, a mobile home not
 33 assessed as real property, or a manufactured home not assessed as real
 34 property to another person under a **qualified installment** contract ~~that~~
 35 ~~provides that the contract buyer is to pay the property taxes on the real~~
 36 ~~property; mobile home; or manufactured home~~ may not claim the
 37 deduction provided under this section with respect to that real property,
 38 mobile home, or manufactured home.

1 SECTION 17. IC 6-1.1-12-17.5, AS AMENDED BY P.L.144-2008,
 2 SECTION 23, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 3 JULY 1, 2011]: Sec. 17.5. (a) Except as provided in section 17.8 of this
 4 chapter and subject to section 45 of this chapter, a veteran who desires
 5 to claim the deduction provided in section 17.4 of this chapter must file
 6 a sworn statement, on forms prescribed by the department of local
 7 government finance, with the auditor of the county in which the real
 8 property, mobile home, or manufactured home is assessed. With
 9 respect to real property, the veteran must file the statement during the
 10 year for which the veteran wishes to obtain the deduction. With respect
 11 to a mobile home that is not assessed as real property or a
 12 manufactured home that is not assessed as real property, the statement
 13 must be filed during the twelve (12) months before March 31 of each
 14 year for which the individual wishes to obtain the deduction. The
 15 statement may be filed in person or by mail. If mailed, the mailing must
 16 be postmarked on or before the last day for filing.

17 (b) The statement required under this section shall be in affidavit
 18 form or require verification under penalties of perjury. The statement
 19 shall be filed in duplicate if the veteran has, or is buying under a
 20 contract, real property in more than one (1) county or in more than one
 21 (1) taxing district in the same county. The statement shall contain:

- 22 (1) a description and the assessed value of the real property,
 23 mobile home, or manufactured home;
 24 (2) the veteran's full name and complete residence address;
 25 (3) the record number and page where the contract or
 26 memorandum of the **qualified installment** contract is recorded,
 27 if the individual is buying the real property, mobile home, or
 28 manufactured home on a **qualified installment** contract; ~~that~~
 29 ~~provides that the individual is to pay property taxes on the real~~
 30 ~~property, mobile home, or manufactured home;~~ and
 31 (4) any additional information which the department of local
 32 government finance may require.

33 SECTION 18. IC 6-1.1-12-37, AS AMENDED BY P.L.113-2010,
 34 SECTION 27, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 35 MARCH 1, 2011 (RETROACTIVE)]: Sec. 37. (a) The following
 36 definitions apply throughout this section:

- 37 (1) "Dwelling" means any of the following:
 38 (A) Residential real property improvements that an individual

- 1 uses as the individual's residence, including a house or garage.
- 2 (B) A mobile home that is not assessed as real property that an
3 individual uses as the individual's residence.
- 4 (C) A manufactured home that is not assessed as real property
5 that an individual uses as the individual's residence.
- 6 (2) "Homestead" means an individual's principal place of
7 residence:
- 8 (A) that is located in Indiana;
- 9 (B) that:
- 10 (i) the individual owns;
- 11 (ii) the individual is buying under a **qualified installment**
12 **contract; recorded in the county recorder's office; that**
13 **provides that the individual is to pay the property taxes on**
14 **the residence;**
- 15 (iii) the individual is entitled to occupy as a
16 tenant-stockholder (as defined in 26 U.S.C. 216) of a
17 cooperative housing corporation (as defined in 26 U.S.C.
18 216); or
- 19 (iv) is a residence described in section 17.9 of this chapter
20 that is owned by a trust if the individual is an individual
21 described in section 17.9 of this chapter; and
- 22 (C) that consists of a dwelling and the real estate, not
23 exceeding one (1) acre, that immediately surrounds that
24 dwelling.
- 25 Except as provided in subsection (k), the term does not include
26 property owned by a corporation, partnership, limited liability
27 company, or other entity not described in this subdivision.
- 28 (b) Each year a homestead is eligible for a standard deduction from
29 the assessed value of the homestead for an assessment date. The
30 deduction provided by this section applies to property taxes first due
31 and payable for an assessment date only if an individual has an interest
32 in the homestead described in subsection (a)(2)(B) on:
- 33 (1) the assessment date; or
- 34 (2) any date in the same year after an assessment date that a
35 statement is filed under subsection (e) or section 44 of this
36 chapter, if the property consists of real property.
- 37 Subject to subsection (c), the auditor of the county shall record and
38 make the deduction for the individual or entity qualifying for the

1 deduction.

2 (c) Except as provided in section 40.5 of this chapter, the total
3 amount of the deduction that a person may receive under this section
4 for a particular year is the lesser of:

5 (1) sixty percent (60%) of the assessed value of the real property,
6 mobile home not assessed as real property, or manufactured home
7 not assessed as real property; or

8 (2) forty-five thousand dollars (\$45,000).

9 (d) A person who has sold real property, a mobile home not assessed
10 as real property, or a manufactured home not assessed as real property
11 to another person under a **qualified installment** contract ~~that provides~~
12 ~~that the contract buyer is to pay the property taxes on the real property;~~
13 ~~mobile home; or manufactured home~~ may not claim the deduction
14 provided under this section with respect to that real property, mobile
15 home, or manufactured home.

16 (e) Except as provided in sections 17.8 and 44 of this chapter and
17 subject to section 45 of this chapter, an individual who desires to claim
18 the deduction provided by this section must file a certified statement in
19 duplicate, on forms prescribed by the department of local government
20 finance, with the auditor of the county in which the homestead is
21 located. The statement must include:

22 (1) the parcel number or key number of the property and the name
23 of the city, town, or township in which the property is located;

24 (2) the name of any other location in which the applicant or the
25 applicant's spouse owns, is buying, or has a beneficial interest in
26 residential real property;

27 (3) the names of:

28 (A) the applicant and the applicant's spouse (if any):

29 (i) as the names appear in the records of the United States
30 Social Security Administration for the purposes of the
31 issuance of a Social Security card and Social Security
32 number; or

33 (ii) that they use as their legal names when they sign their
34 names on legal documents;

35 if the applicant is an individual; or

36 (B) each individual who qualifies property as a homestead
37 under subsection (a)(2)(B) and the individual's spouse (if any):

38 (i) as the names appear in the records of the United States

1 Social Security Administration for the purposes of the
2 issuance of a Social Security card and Social Security
3 number; or
4 (ii) that they use as their legal names when they sign their
5 names on legal documents;
6 if the applicant is not an individual; and
7 (4) either:
8 (A) the last five (5) digits of the applicant's Social Security
9 number and the last five (5) digits of the Social Security
10 number of the applicant's spouse (if any); or
11 (B) if the applicant or the applicant's spouse (if any) do not
12 have a Social Security number, any of the following for that
13 individual:
14 (i) The last five (5) digits of the individual's driver's license
15 number.
16 (ii) The last five (5) digits of the individual's state
17 identification card number.
18 (iii) If the individual does not have a driver's license or a
19 state identification card, the last five (5) digits of a control
20 number that is on a document issued to the individual by the
21 federal government and determined by the department of
22 local government finance to be acceptable.

23 If a form or statement provided to the county auditor under this section,
24 IC 6-1.1-22-8.1, or IC 6-1.1-22.5-12 includes the telephone number or
25 part or all of the Social Security number of a party or other number
26 described in subdivision (4)(B) of a party, the telephone number and
27 the Social Security number or other number described in subdivision
28 (4)(B) included are confidential. The statement may be filed in person
29 or by mail. If the statement is mailed, the mailing must be postmarked
30 on or before the last day for filing. The statement applies for that first
31 year and any succeeding year for which the deduction is allowed. With
32 respect to real property, the statement must be completed and dated in
33 the calendar year for which the person desires to obtain the deduction
34 and filed with the county auditor on or before January 5 of the
35 immediately succeeding calendar year. With respect to a mobile home
36 that is not assessed as real property, the person must file the statement
37 during the twelve (12) months before March 31 of the year for which
38 the person desires to obtain the deduction.

1 (f) If an individual who is receiving the deduction provided by this
 2 section or who otherwise qualifies property for a deduction under this
 3 section:

4 (1) changes the use of the individual's property so that part or all
 5 of the property no longer qualifies for the deduction under this
 6 section; or

7 (2) is no longer eligible for a deduction under this section on
 8 another parcel of property because:

9 (A) the individual would otherwise receive the benefit of more
 10 than one (1) deduction under this chapter; or

11 (B) the individual maintains the individual's principal place of
 12 residence with another individual who receives a deduction
 13 under this section;

14 the individual must file a certified statement with the auditor of the
 15 county, notifying the auditor of the change of use, not more than sixty
 16 (60) days after the date of that change. An individual who fails to file
 17 the statement required by this subsection is liable for any additional
 18 taxes that would have been due on the property if the individual had
 19 filed the statement as required by this subsection plus a civil penalty
 20 equal to ten percent (10%) of the additional taxes due. The civil penalty
 21 imposed under this subsection is in addition to any interest and
 22 penalties for a delinquent payment that might otherwise be due. One
 23 percent (1%) of the total civil penalty collected under this subsection
 24 shall be transferred by the county to the department of local
 25 government finance for use by the department in establishing and
 26 maintaining the homestead property data base under subsection (i) and,
 27 to the extent there is money remaining, for any other purposes of the
 28 department. This amount becomes part of the property tax liability for
 29 purposes of this article.

30 (g) The department of local government finance shall adopt rules or
 31 guidelines concerning the application for a deduction under this
 32 section.

33 (h) This subsection does not apply to property in the first year for
 34 which a deduction is claimed under this section if the sole reason that
 35 a deduction is claimed on other property is that the individual or
 36 married couple maintained a principal residence at the other property
 37 on March 1 in the same year in which an application for a deduction is
 38 filed under this section or, if the application is for a homestead that is

1 assessed as personal property, on March 1 in the immediately
 2 preceding year and the individual or married couple is moving the
 3 individual's or married couple's principal residence to the property that
 4 is the subject of the application. The county auditor may not grant an
 5 individual or a married couple a deduction under this section if:

6 (1) the individual or married couple, for the same year, claims the
 7 deduction on two (2) or more different applications for the
 8 deduction; and

9 (2) the applications claim the deduction for different property.

10 (i) The department of local government finance shall provide secure
 11 access to county auditors to a homestead property data base that
 12 includes access to the homestead owner's name and the numbers
 13 required from the homestead owner under subsection (e)(4) for the sole
 14 purpose of verifying whether an owner is wrongly claiming a deduction
 15 under this chapter or a credit under IC 6-1.1-20.4, IC 6-1.1-20.6, or
 16 IC 6-3.5.

17 (j) The department of local government finance shall work with
 18 county auditors to develop procedures to determine whether a property
 19 owner that is claiming a standard deduction or homestead credit is not
 20 eligible for the standard deduction or homestead credit because the
 21 property owner's principal place of residence is outside Indiana.

22 (k) As used in this section, "homestead" includes property that
 23 satisfies each of the following requirements:

24 (1) The property is located in Indiana and consists of a dwelling
 25 and the real estate, not exceeding one (1) acre, that immediately
 26 surrounds that dwelling.

27 (2) The property is the principal place of residence of an
 28 individual.

29 (3) The property is owned by an entity that is not described in
 30 subsection (a)(2)(B).

31 (4) The individual residing on the property is a shareholder,
 32 partner, or member of the entity that owns the property.

33 (5) The property was eligible for the standard deduction under
 34 this section on March 1, 2009.

35 (l) If a county auditor terminates a deduction for property described
 36 in subsection (k) with respect to property taxes that are:

37 (1) imposed for an assessment date in 2009; and

38 (2) first due and payable in 2010;

1 on the grounds that the property is not owned by an entity described in
 2 subsection (a)(2)(B), the county auditor shall reinstate the deduction if
 3 the taxpayer provides proof that the property is eligible for the
 4 deduction in accordance with subsection (k) and that the individual
 5 residing on the property is not claiming the deduction for any other
 6 property.

7 (m) For assessments dates after 2009, the term "homestead"
 8 includes:

9 (1) a deck or patio;

10 (2) a gazebo; or

11 (3) another residential yard structure, as defined in rules adopted
 12 by the department of local government finance (other than a
 13 swimming pool);

14 that is assessed as real property and attached to the dwelling.

15 SECTION 19. IC 6-1.1-12-39 IS AMENDED TO READ AS
 16 FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 39. (a) A person who
 17 is:

18 (1) purchasing property under a contract that does not require the
 19 buyer to pay property taxes on the property; and

20 (2) required to pay property taxes under IC 6-1.1-10-41;

21 is eligible for a deduction granted by this chapter to the same extent as
 22 a person who is buying property under a **qualified installment**
 23 contract. ~~that provides the contract buyer is to pay property taxes on the~~
 24 ~~property.~~

25 (b) To obtain the deduction, with the application the applicant must
 26 provide:

27 (1) the same information concerning the contract that is required
 28 for **qualified installment** contracts; ~~that require the buyer to pay~~
 29 ~~property taxes;~~ and

30 (2) information that indicates that IC 6-1.1-10-41 applies to the
 31 property.

32 SECTION 20. IC 6-1.1-12-46 IS ADDED TO THE INDIANA
 33 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
 34 [EFFECTIVE JULY 1, 2011]: **Sec. 46. (a) This section applies to an**
 35 **assessed valuation deduction claimed for:**

36 **(1) an assessment date occurring after February 28, 2012,**
 37 **with respect to property taxes first due and payable after**
 38 **December 31, 2012, for an assessed valuation deduction**

1 **claimed for real property; or**
 2 **(2) an assessment date occurring after December 31, 2011,**
 3 **with respect to property taxes first due and payable after**
 4 **December 31, 2011, for an assessed valuation deduction**
 5 **claimed for a mobile home or manufactured home assessed**
 6 **under IC 6-1.1-7.**

7 **(b) A person who:**
 8 **(1) owns property subject to taxation under this article;**
 9 **(2) intentionally misrepresents a residential lease as a**
 10 **qualified installment contract; and**
 11 **(3) through the misrepresentation described in subdivision (2)**
 12 **causes another individual to improperly claim a deduction**
 13 **that is made available to a buyer under a qualified installment**
 14 **contract under this chapter;**

15 **is liable for any additional taxes that would have been due on the**
 16 **property if the person had leased the property to the purported**
 17 **contract buyer, plus a civil penalty equal to ten percent (10%) of**
 18 **the additional taxes due.**

19 **(c) The civil penalty imposed under subsection (b) is in addition**
 20 **to any interest and penalties for a delinquent payment that might**
 21 **otherwise be due.**

22 **(d) One percent (1%) of the total civil penalty collected under**
 23 **this section shall be transferred by the county to the department of**
 24 **local government finance for use by the department in establishing**
 25 **and maintaining the homestead property data base under section**
 26 **37 of this chapter and, to the extent there is money remaining, for**
 27 **any other purposes of the department. This amount becomes part**
 28 **of the property tax liability for purposes of this article."**

29 Page 2, between lines 39 and 40, begin a new paragraph and insert:

30 "SECTION 2. IC 6-1.1-24-2, AS AMENDED BY P.L.146-2008,
 31 SECTION 258, IS AMENDED TO READ AS FOLLOWS
 32 [EFFECTIVE JULY 1, 2011]: Sec. 2. (a) In addition to the delinquency
 33 list required under section 1 of this chapter, each county auditor shall
 34 prepare a notice. The notice shall contain the following:

35 (1) A list of tracts or real property eligible for sale under this
 36 chapter.

37 (2) A statement that the tracts or real property included in the list
 38 will be sold at public auction to the highest bidder, subject to the

- 1 right of redemption.
- 2 (3) A statement that the tracts or real property will not be sold for
- 3 an amount which is less than the sum of:
- 4 (A) the delinquent taxes and special assessments on each tract
- 5 or item of real property;
- 6 (B) the taxes and special assessments on each tract or item of
- 7 real property that are due and payable in the year of the sale,
- 8 whether or not they are delinquent;
- 9 (C) all penalties due on the delinquencies;
- 10 (D) an amount prescribed by the county auditor that equals the
- 11 sum of:
- 12 (i) the greater of twenty-five dollars (\$25) or postage and
- 13 publication costs; and
- 14 (ii) any other actual costs incurred by the county that are
- 15 directly attributable to the tax sale; and
- 16 (E) any unpaid costs due under subsection (b) from a prior tax
- 17 sale.
- 18 (4) A statement that a person redeeming each tract or item of real
- 19 property after the sale must pay:
- 20 (A) one hundred ten percent (110%) of the amount of the
- 21 minimum bid for which the tract or item of real property was
- 22 offered at the time of sale if the tract or item of real property
- 23 is redeemed not more than six (6) months after the date of
- 24 sale;
- 25 (B) one hundred fifteen percent (115%) of the amount of the
- 26 minimum bid for which the tract or item of real property was
- 27 offered at the time of sale if the tract or item of real property
- 28 is redeemed more than six (6) months after the date of sale;
- 29 ~~(C) the amount by which the purchase price exceeds the~~
- 30 ~~minimum bid on the tract or item of real property plus ten~~
- 31 ~~percent (10%) per annum on the amount by which the~~
- 32 ~~purchase price exceeds the minimum bid; and~~
- 33 (D) all taxes and special assessments on the tract or item of
- 34 real property paid by the purchaser after the tax sale plus
- 35 interest at the rate of ten percent (10%) per annum on the
- 36 amount of taxes and special assessments paid by the purchaser
- 37 on the redeemed property.
- 38 (5) A statement for informational purposes only, of the location

1 of each tract or item of real property by key number, if any, and
2 street address, if any, or a common description of the property
3 other than a legal description. The township assessor, or the
4 county assessor if there is no township assessor for the township,
5 upon written request from the county auditor, shall provide the
6 information to be in the notice required by this subsection. A
7 misstatement in the key number or street address does not
8 invalidate an otherwise valid sale.

9 (6) A statement that the county does not warrant the accuracy of
10 the street address or common description of the property.

11 (7) A statement indicating:

12 (A) the name of the owner of each tract or item of real
13 property with a single owner; or

14 (B) the name of at least one (1) of the owners of each tract or
15 item of real property with multiple owners.

16 (8) A statement of the procedure to be followed for obtaining or
17 objecting to a judgment and order of sale, that must include the
18 following:

19 (A) A statement:

20 (i) that the county auditor and county treasurer will apply on
21 or after a date designated in the notice for a court judgment
22 against the tracts or real property for an amount that is not
23 less than the amount set under subdivision (3), and for an
24 order to sell the tracts or real property at public auction to
25 the highest bidder, subject to the right of redemption; and
26 (ii) indicating the date when the period of redemption
27 specified in IC 6-1.1-25-4 will expire.

28 (B) A statement that any defense to the application for
29 judgment must be:

30 (i) filed with the court; and

31 (ii) served on the county auditor and the county treasurer;
32 before the date designated as the earliest date on which the
33 application for judgment may be filed.

34 (C) A statement that the county auditor and the county
35 treasurer are entitled to receive all pleadings, motions,
36 petitions, and other filings related to the defense to the
37 application for judgment.

38 (D) A statement that the court will set a date for a hearing at

1 least seven (7) days before the advertised date and that the
2 court will determine any defenses to the application for
3 judgment at the hearing.

4 (9) A statement that the sale will be conducted at a place
5 designated in the notice and that the sale will continue until all
6 tracts and real property have been offered for sale.

7 (10) A statement that the sale will take place at the times and
8 dates designated in the notice. Whenever the public auction is to
9 be conducted as an electronic sale, the notice must include a
10 statement indicating that the public auction will be conducted as
11 an electronic sale and a description of the procedures that must be
12 followed to participate in the electronic sale.

13 (11) A statement that a person redeeming each tract or item after
14 the sale must pay the costs described in IC 6-1.1-25-2(e).

15 (12) If a county auditor and county treasurer have entered into an
16 agreement under IC 6-1.1-25-4.7, a statement that the county
17 auditor will perform the duties of the notification and title search
18 under IC 6-1.1-25-4.5 and the notification and petition to the
19 court for the tax deed under IC 6-1.1-25-4.6.

20 (13) A statement that, if the tract or item of real property is sold
21 for an amount more than the minimum bid and the property is not
22 redeemed, the owner of record of the tract or item of real property
23 who is divested of ownership at the time the tax deed is issued
24 may have a right to the tax sale surplus.

25 (14) If a determination has been made under subsection (d), a
26 statement that tracts or items will be sold together.

27 (b) If within sixty (60) days before the date of the tax sale the county
28 incurs costs set under subsection (a)(3)(D) and those costs are not paid,
29 the county auditor shall enter the amount of costs that remain unpaid
30 upon the tax duplicate of the property for which the costs were set. The
31 county treasurer shall mail notice of unpaid costs entered upon a tax
32 duplicate under this subsection to the owner of the property identified
33 in the tax duplicate.

34 (c) The amount of unpaid costs entered upon a tax duplicate under
35 subsection (b) must be paid no later than the date upon which the next
36 installment of real estate taxes for the property is due. Unpaid costs
37 entered upon a tax duplicate under subsection (b) are a lien against the
38 property described in the tax duplicate, and amounts remaining unpaid

1 on the date the next installment of real estate taxes is due may be
 2 collected in the same manner that delinquent property taxes are
 3 collected.

4 (d) The county auditor and county treasurer may establish the
 5 condition that a tract or item will be sold and may be redeemed under
 6 this chapter only if the tract or item is sold or redeemed together with
 7 one (1) or more other tracts or items. Property may be sold together
 8 only if the tract or item is owned by the same person.

9 SECTION 21. IC 6-1.1-24-5.3, AS AMENDED BY P.L.88-2009,
 10 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 11 JULY 1, 2011]: Sec. 5.3. (a) This section applies to the following:

12 (1) A person who:

13 (A) owns a fee interest, a life estate interest, or the equitable
 14 interest of a contract purchaser in an unsafe building or unsafe
 15 premises in the county in which a sale is held under this
 16 chapter; and

17 (B) is subject to an order issued under IC 36-7-9-5(a)(2),
 18 IC 36-7-9-5(a)(3), IC 36-7-9-5(a)(4), or IC 36-7-9-5(a)(5)
 19 regarding which the conditions set forth in IC 36-7-9-10(a)(1)
 20 through IC 36-7-9-10(a)(4) exist.

21 (2) A person who:

22 (A) owns a fee interest, a life estate interest, or the equitable
 23 interest of a contract purchaser in an unsafe building or unsafe
 24 premises in the county in which a sale is held under this
 25 chapter; and

26 (B) is subject to an order issued under IC 36-7-9-5(a), other
 27 than an order issued under IC 36-7-9-5(a)(2),
 28 IC 36-7-9-5(a)(3), IC 36-7-9-5(a)(4), or IC 36-7-9-5(a)(5),
 29 regarding which the conditions set forth in IC 36-7-9-10(b)(1)
 30 through IC 36-7-9-10(b)(4) exist.

31 (3) A person who is the defendant in a court action brought under
 32 IC 36-7-9-18, IC 36-7-9-19, IC 36-7-9-20, IC 36-7-9-21, or
 33 IC 36-7-9-22 in the county in which a sale is held under this
 34 chapter that has resulted in a judgment in favor of the plaintiff and
 35 the unsafe condition that caused the action to be brought has not
 36 been corrected.

37 (4) A person who has any of the following relationships to a
 38 person, partnership, corporation, or legal entity described in

- 1 ~~subdivisions~~ **subdivision** (1), (2), or (3);
- 2 (A) A partner of a partnership.
- 3 (B) An officer or majority stockholder of a corporation.
- 4 (C) The person who directs the activities or has a majority
- 5 ownership in a legal entity other than a partnership or
- 6 corporation.
- 7 (5) A person who, in the county in which a sale is held under this
- 8 chapter, owes:
- 9 (A) delinquent taxes;
- 10 (B) special assessments;
- 11 (C) penalties;
- 12 (D) interest; or
- 13 (E) costs directly attributable to a prior tax sale;
- 14 on a tract or an item of real property listed under section 1 of this
- 15 chapter.
- 16 (6) A person who owns a fee interest, a life estate interest, or the
- 17 equitable interest of a contract purchaser in a vacant or abandoned
- 18 structure subject to an enforcement order under IC 32-30-6,
- 19 IC 32-30-7, IC 32-30-8, or IC 36-7-9.
- 20 (7) A person who is an agent of the person described in this
- 21 subsection.
- 22 (b) A person subject to this section may not purchase a tract offered
- 23 for sale under section 5 or 6.1 of this chapter. However, this section
- 24 does not prohibit a person from bidding on a tract that is owned by the
- 25 person and offered for sale under section 5 of this chapter.
- 26 (c) The county treasurer shall require each person who will be
- 27 bidding at the tax sale to sign a statement in a form substantially
- 28 similar to the following:
- 29 "Indiana law prohibits a person who owes delinquent taxes,
- 30 special assessments, penalties, interest, or costs directly
- 31 attributable to a prior tax sale, from purchasing tracts or items of
- 32 real property at a tax sale. I hereby affirm under the penalties for
- 33 perjury that I do not owe delinquent taxes, special assessments,
- 34 penalties, interest, costs directly attributable to a prior tax sale,
- 35 amounts from a final adjudication in favor of a political
- 36 subdivision in this county, any civil penalties imposed for the
- 37 violation of a building code or ordinance of this county, or any
- 38 civil penalties imposed by a health department in this county.

1 Further, I hereby acknowledge that any successful bid I make in
 2 violation of this statement is subject to forfeiture. In the event of
 3 forfeiture, the amount ~~of~~ **by which** my bid **exceeds the minimum**
 4 **bid, if any**, shall be applied to the delinquent taxes, special
 5 assessments, penalties, interest, costs, judgments, or civil
 6 penalties I owe, and a certificate will be issued to the county
 7 executive."

8 (d) If a person purchases a tract that the person was not eligible to
 9 purchase under this section, the sale of the property is subject to
 10 forfeiture. If the county treasurer determines or is notified not more
 11 than six (6) months after the date of the sale that the sale of the
 12 property should be forfeited, the county treasurer shall:

13 (1) notify the person in writing that the sale is subject to forfeiture
 14 if the person does not pay the amounts that the person owes
 15 within thirty (30) days of the notice;

16 (2) if the person does not pay the amounts that the person owes
 17 within thirty (30) days after the notice, apply the ~~surplus~~ amount
 18 of the person's bid **that exceeds the minimum bid** to the person's
 19 delinquent taxes, special assessments, penalties, and interest;

20 (3) remit the amounts owed from a final adjudication or civil
 21 penalties in favor of a political subdivision to the appropriate
 22 political subdivision; and

23 (4) notify the county auditor that the sale has been forfeited.

24 Upon being notified that a sale has been forfeited, the county auditor
 25 shall issue a certificate to the county executive under section 6 of this
 26 chapter.

27 (e) A county treasurer may decline to forfeit a sale under this section
 28 because of inadvertence or mistake, lack of actual knowledge by the
 29 bidder, substantial harm to other parties with interests in the tract or
 30 item of real property, or other substantial reasons. If the treasurer
 31 declines to forfeit a sale, the treasurer shall:

32 (1) prepare a written statement explaining the reasons for
 33 declining to forfeit the sale; and

34 (2) retain the written statement as an official record.

35 (f) If a sale is forfeited under this section and the tract or item of real
 36 property is redeemed from the sale, the county auditor shall deposit the
 37 amount of the redemption into the county general fund and notify the
 38 county executive of the redemption. Upon being notified of the

1 redemption, the county executive shall surrender the certificate to the
2 county auditor.

3 SECTION 22. IC 6-1.1-24-6, AS AMENDED BY P.L.89-2007,
4 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
5 JULY 1, 2011]: Sec. 6. (a) When a tract or an item of real property is
6 offered for sale under this chapter and an amount is not received equal
7 to or in excess of the minimum sale price prescribed in section 5(e) of
8 this chapter, the county executive acquires a lien in the amount of the
9 minimum sale price. This lien attaches on the day after the last date on
10 which the tract or item was offered for sale.

11 (b) When a county executive acquires a lien under this section, the
12 county auditor shall issue a tax sale certificate to the county executive
13 in the manner provided in section 9 of this chapter. The county auditor
14 shall date the certificate the day that the county executive acquires the
15 lien. When a county executive acquires a certificate under this section,
16 the county executive has the same rights as a purchaser.

17 (c) When a lien is acquired by a county executive under this section,
18 no money shall be paid by the county executive. However, each of the
19 taxing units having an interest in the taxes on the tract shall be charged
20 with the full amount of all delinquent taxes due them.

21 ~~(d) This section shall apply to any tract or an item of real property~~
22 ~~offered for sale under this chapter in 2006; and an amount was not~~
23 ~~received equal to or in excess of the minimum sale price prescribed in~~
24 ~~section 5(e) of this chapter; if the county executive finds that the tract~~
25 ~~or item of real property meets the definition of a brownfield as set forth~~
26 ~~in IC 13-11-2-19.3.~~

27 SECTION 23. IC 6-1.1-24-6.1, AS AMENDED BY P.L.73-2010,
28 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
29 JULY 1, 2011]: Sec. 6.1. (a) The county executive may do the
30 following:

- 31 (1) By resolution, identify properties:
- 32 (A) that are described in section 6.7(a) of this chapter; and
 - 33 (B) concerning which the county executive desires to offer to
 - 34 the public the certificates of sale acquired by the county
 - 35 executive under section 6 of this chapter.
- 36 (2) In conformity with IC 5-3-1-4, publish:
- 37 (A) notice of the date, time, and place for a public sale; and
 - 38 (B) a listing of parcels on which certificates will be offered by

- 1 parcel number and minimum bid amount;
 2 once each week for three (3) consecutive weeks, with the final
 3 advertisement being not less than thirty (30) days before the sale
 4 date. The expenses of the publication shall be paid out of the
 5 county general fund.
- 6 (3) Sell each certificate of sale covered by the resolution for a
 7 price that:
- 8 (A) is less than the minimum sale price prescribed by section
 9 5(e) of this chapter; and
- 10 (B) includes any costs to the county executive directly
 11 attributable to the sale of the certificate of sale.
- 12 (b) Notice of the list of properties prepared under subsection (a) and
 13 the date, time, and place for the public sale of the certificates of sale
 14 shall be published in accordance with IC 5-3-1. The notice must:
- 15 (1) include a description of the property by parcel number and
 16 common address;
- 17 (2) specify that the county executive will accept bids for the
 18 certificates of sale for the price referred to in subsection (a)(3);
- 19 (3) specify the minimum bid for each parcel;
- 20 (4) include a statement that a person redeeming each tract or item
 21 of real property after the sale of the certificate must pay:
- 22 (A) **one hundred ten percent (110%)** of the amount of the
 23 minimum bid under section 5(e) of this chapter for which the
 24 tract or item of real property was last offered for sale;
- 25 (B) **ten percent (10%) of per annum on the amount for which**
 26 **the certificate is sold by which the purchase price exceeds**
 27 **the minimum bid;**
- 28 (C) the attorney's fees and costs of giving notice under
 29 IC 6-1.1-25-4.5;
- 30 (D) the costs of a title search or of examining and updating the
 31 abstract of title for the tract or item of real property;
- 32 (E) all taxes and special assessments on the tract or item of
 33 real property paid by the purchaser after the sale of the
 34 certificate plus interest at the rate of ten percent (10%) per
 35 annum on the amount of taxes and special assessments paid by
 36 the purchaser on the redeemed property; and
- 37 (F) all costs of sale, advertising costs, and other expenses of
 38 the county directly attributable to the sale of certificates of

1 sale; and
 2 (5) include a statement that, if the certificate is sold for an amount
 3 more than the minimum bid under section 5(e) of this chapter for
 4 which the tract or item of real property was last offered for sale
 5 and the property is not redeemed, the owner of record of the tract
 6 or item of real property who is divested of ownership at the time
 7 the tax deed is issued may have a right to the tax sale surplus.

8 SECTION 24. IC 6-1.1-24-8, AS AMENDED BY P.L.89-2007,
 9 SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 10 JULY 1, 2011]: Sec. 8. When one who purchases real property at a tax
 11 sale fails to pay the bid, the real property shall again be offered for sale.
 12 A purchaser who fails to pay the bid shall pay a civil penalty of
 13 twenty-five percent (25%) of the amount of the bid. The county
 14 prosecuting attorney **or the county treasurer** shall initiate an action
 15 in the name of the ~~state treasurer~~ **county** to recover the civil penalty,
 16 **treble damages, costs, and reasonable attorney's fees.** Amounts
 17 collected under this section shall be deposited in the county general
 18 fund."

19 Page 3, line 20, strike "the amount by which the purchase price
 20 exceeds".

21 Page 3, line 21, strike "the minimum bid on the real property plus".

22 Page 6, between lines 31 and 32, begin a new paragraph and insert:
 23 "SECTION 28. IC 36-7-14-0.5 IS ADDED TO THE INDIANA
 24 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
 25 [EFFECTIVE JULY 1, 2011]: **Sec. 0.5. (a) The definitions in this**
 26 **section apply throughout this chapter.**

27 **(b) "Obligation" means any bond, note, warrant, lease, or other**
 28 **obligation pursuant to which money is borrowed.**

29 **(c) "Public funds" means all fees and funds of whatever kind or**
 30 **character coming into the possession of the:**

31 **(1) redevelopment commission; or**

32 **(2) department of redevelopment.**

33 SECTION 29. IC 36-7-14-2.5, AS AMENDED BY P.L.221-2007,
 34 SECTION 30, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 35 JULY 1, 2011]: Sec. 2.5. (a) The assessment, planning, replanning,
 36 remediation, development, and redevelopment of economic
 37 development areas:

38 (1) are public and governmental functions that cannot be

1 accomplished through the ordinary operations of private
2 enterprise because of:

3 (A) the necessity for requiring the proper use of the land so as
4 to best serve the interests of the county and its citizens; and
5 (B) the costs of these projects;

6 (2) will:

7 (A) benefit the public health, safety, morals, and welfare;
8 (B) increase the economic well-being of the unit and the state;
9 and

10 (C) serve to protect and increase property values in the unit
11 and the state; and

12 (3) are public uses and purposes for which public money may be
13 spent and private property may be acquired.

14 (b) This section and sections 41 and 43 of this chapter shall be
15 liberally construed to carry out the purposes of this section.

16 **(c) Except as provided in subsection (d), a redevelopment**
17 **commission may not enter into any obligation payable from public**
18 **funds without first obtaining the approval, by ordinance or**
19 **resolution, of the legislative body of the unit.**

20 **(d) A redevelopment commission is not required to obtain the**
21 **approval of the legislative body of the unit under this section if:**

22 **(1) the obligation is for the acquisition of real property under**
23 **this chapter; and**

24 **(2) the agreement to acquire the real property requires the**
25 **redevelopment commission to either:**

26 **(A) make payments for the real property to be acquired for**
27 **a term of less than three (3) years; or**

28 **(B) purchase the real property for a cost of less than five**
29 **million dollars (\$5,000,000).**

30 **A redevelopment commission may not enter into an obligation**
31 **payable from public funds, other than an obligation described in**
32 **this subsection, unless the redevelopment commission first obtains**
33 **the approval of the legislative body of the unit as provided in**
34 **subsection (c).**

35 **(e) The approving ordinance or resolution of a legislative body**
36 **must include the following:**

37 **(1) The maximum amount of the obligation.**

38 **(2) The maximum interest rate or rates, any provisions for**

1 **redemption prior to maturity, and any provisions for the**
 2 **payment of capitalized interest associated with the obligation.**

3 **(3) The maximum term of the obligation.**

4 SECTION 30. IC 36-7-14-3, AS AMENDED BY P.L.190-2005,
 5 SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 6 JULY 1, 2011]: Sec. 3. (a) A unit may establish a department of
 7 redevelopment controlled by a board of five (5) members to be known
 8 as "_____ Redevelopment Commission", designating the name
 9 of the municipality or county. However, in the case of a county, the
 10 county executive may adopt an ordinance providing that the county
 11 redevelopment commission consists of seven (7) members.

12 **(b) A redevelopment commission and a department of**
 13 **redevelopment are subject to the oversight of the legislative body**
 14 **of the unit, including review by the legislative body of annual**
 15 **budgets. A redevelopment commission is a public agency for**
 16 **purposes of IC 5-14-1.5 and IC 5-14-3 and a municipality for**
 17 **purposes of IC 5-11-1.**

18 ~~(b)~~ (c) Subject to section 3.5 of this chapter, all of the territory
 19 within the corporate boundaries of a municipality constitutes a taxing
 20 district for the purpose of levying and collecting special benefit taxes
 21 for redevelopment purposes as provided in this chapter. Subject to
 22 section 3.5 of this chapter, all of the territory in a county, except that
 23 within a municipality that has a redevelopment commission, constitutes
 24 a taxing district for a county.

25 ~~(c)~~ (d) All of the taxable property within a taxing district is
 26 considered to be benefited by redevelopment projects carried out under
 27 this chapter to the extent of the special taxes levied under this chapter.

28 SECTION 31. IC 36-7-14-8, AS AMENDED BY P.L.190-2005,
 29 SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 30 JULY 1, 2011]: Sec. 8. (a) The redevelopment commissioners shall
 31 hold a meeting for the purpose of organization not later than thirty (30)
 32 days after they are appointed and, after that, each year on the first day
 33 in January that is not a Saturday, a Sunday, or a legal holiday. They
 34 shall choose one (1) of their members as president, another as vice
 35 president, and another as secretary. These officers shall perform the
 36 duties usually pertaining to their offices and shall serve from the date
 37 of their election until their successors are elected and qualified.

38 (b) The redevelopment commission may appoint a treasurer who

1 need not be a member of the redevelopment commission. The
 2 redevelopment commission may provide for the payment of
 3 compensation to a treasurer who is not a member of the redevelopment
 4 commission. Notwithstanding any other provision of this chapter, the
 5 treasurer has charge over and is responsible for the administration,
 6 investment, and disbursement of all funds and accounts of the
 7 redevelopment commission in accordance with the requirements of this
 8 chapter. However, the treasurer may not perform any duties of the
 9 fiscal officer or any other officer of the unit that are prescribed by
 10 section 24 of this chapter or by any provisions of this chapter that
 11 pertain to the issuance and sale of bonds, notes, or warrants of the
 12 special taxing district. **The treasurer shall report quarterly to the**
 13 **fiscal officer of the unit.**

14 (c) The redevelopment commissioners may adopt the rules and
 15 bylaws they consider necessary for the proper conduct of their
 16 proceedings, the carrying out of their duties, and the safeguarding of
 17 the money and property placed in their custody by this chapter. In
 18 addition to the annual meeting, the commissioners may, by resolution
 19 or in accordance with their rules and bylaws, prescribe the date and
 20 manner of notice of other regular or special meetings.

21 (d) This subsection does not apply to a county redevelopment
 22 commission that consists of seven (7) members. Three (3) of the
 23 redevelopment commissioners constitute a quorum, and the
 24 concurrence of three (3) commissioners is necessary to authorize any
 25 action.

26 (e) This subsection applies only to a county redevelopment
 27 commission that consists of seven (7) members. Four (4) of the
 28 redevelopment commissioners constitute a quorum, and the
 29 concurrence of four (4) commissioners is necessary to authorize any
 30 action.

31 SECTION 32. IC 36-7-14-12.2, AS AMENDED BY P.L.221-2007,
 32 SECTION 32, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 33 JULY 1, 2011]: Sec. 12.2. (a) The redevelopment commission may do
 34 the following:

35 (1) Acquire by purchase, exchange, gift, grant, condemnation, or
 36 lease, or any combination of methods, any personal property or
 37 interest in real property needed for the redevelopment of areas
 38 needing redevelopment that are located within the corporate

- 1 boundaries of the unit.
- 2 (2) Hold, use, sell (by conveyance by deed, land sale contract, or
3 other instrument), exchange, lease, rent, or otherwise dispose of
4 property acquired for use in the redevelopment of areas needing
5 redevelopment on the terms and conditions that the commission
6 considers best for the unit and its inhabitants.
- 7 (3) Sell, lease, or grant interests in all or part of the real property
8 acquired for redevelopment purposes to any other department of
9 the unit or to any other governmental agency for public ways,
10 levees, sewerage, parks, playgrounds, schools, and other public
11 purposes on any terms that may be agreed on.
- 12 (4) Clear real property acquired for redevelopment purposes.
- 13 (5) Enter on or into, inspect, investigate, and assess real property
14 and structures acquired or to be acquired for redevelopment
15 purposes to determine the existence, source, nature, and extent of
16 any environmental contamination, including the following:
- 17 (A) Hazardous substances.
- 18 (B) Petroleum.
- 19 (C) Other pollutants.
- 20 (6) Remediate environmental contamination, including the
21 following, found on any real property or structures acquired for
22 redevelopment purposes:
- 23 (A) Hazardous substances.
- 24 (B) Petroleum.
- 25 (C) Other pollutants.
- 26 (7) Repair and maintain structures acquired for redevelopment
27 purposes.
- 28 (8) Remodel, rebuild, enlarge, or make major structural
29 improvements on structures acquired for redevelopment purposes.
- 30 (9) Survey or examine any land to determine whether it should be
31 included within an area needing redevelopment to be acquired for
32 redevelopment purposes and to determine the value of that land.
- 33 (10) Appear before any other department or agency of the unit, or
34 before any other governmental agency in respect to any matter
35 affecting:
- 36 (A) real property acquired or being acquired for
37 redevelopment purposes; or
38 (B) any area needing redevelopment within the jurisdiction of

- 1 the commissioners.
- 2 (11) Institute or defend in the name of the unit any civil action.
- 3 (12) Use any legal or equitable remedy that is necessary or
- 4 considered proper to protect and enforce the rights of and perform
- 5 the duties of the department of redevelopment.
- 6 (13) Exercise the power of eminent domain in the name of and
- 7 within the corporate boundaries of the unit in the manner
- 8 prescribed by section 20 of this chapter.
- 9 (14) Appoint an executive director, appraisers, real estate experts,
- 10 engineers, architects, surveyors, and attorneys.
- 11 (15) Appoint clerks, guards, laborers, and other employees the
- 12 commission considers advisable, except that those appointments
- 13 must be made in accordance with the merit system of the unit if
- 14 such a system exists.
- 15 (16) Prescribe the duties and regulate the compensation of
- 16 employees of the department of redevelopment.
- 17 (17) Provide a pension and retirement system for employees of
- 18 the department of redevelopment by using the Indiana public
- 19 employees' retirement fund or a retirement plan approved by the
- 20 United States Department of Housing and Urban Development.
- 21 (18) Discharge and appoint successors to employees of the
- 22 department of redevelopment subject to subdivision (15).
- 23 (19) Rent offices for use of the department of redevelopment, or
- 24 accept the use of offices furnished by the unit.
- 25 (20) Equip the offices of the department of redevelopment with
- 26 the necessary furniture, furnishings, equipment, records, and
- 27 supplies.
- 28 (21) Expend, on behalf of the special taxing district, all or any
- 29 part of the money of the special taxing district.
- 30 (22) Contract for the construction of:
- 31 (A) local public improvements (as defined in IC 36-7-14.5-6)
- 32 or structures that are necessary for redevelopment of areas
- 33 needing redevelopment or economic development within the
- 34 corporate boundaries of the unit; or
- 35 (B) any structure that enhances development or economic
- 36 development.
- 37 (23) Contract for the construction, extension, or improvement of
- 38 pedestrian skyways.

- 1 (24) Accept loans, grants, and other forms of financial assistance
 2 from the federal government, the state government, a municipal
 3 corporation, a special taxing district, a foundation, or any other
 4 source.
- 5 (25) Provide financial assistance (including grants and loans) to
 6 enable individuals and families to purchase or lease residential
 7 units within the district. However, financial assistance may be
 8 provided only to individuals and families whose income is at or
 9 below the unit's median income for individuals and families,
 10 respectively.
- 11 (26) Provide financial assistance (including grants and loans) to
 12 neighborhood development corporations to permit them to:
- 13 (A) provide financial assistance for the purposes described in
 14 subdivision (25); or
- 15 (B) construct, rehabilitate, or repair commercial property
 16 within the district.
- 17 (27) Require as a condition of financial assistance to the owner of
 18 a multiple unit residential structure that any of the units leased by
 19 the owner must be leased:
- 20 (A) for a period to be determined by the commission, which
 21 may not be less than five (5) years;
- 22 (B) to families whose income does not exceed eighty percent
 23 (80%) of the unit's median income for families; and
- 24 (C) at an affordable rate.
- 25 (b) Conditions imposed by the commission under subsection (a)(27)
 26 remain in force throughout the period determined under subsection
 27 (a)(27)(A), even if the owner sells, leases, or conveys the property. The
 28 subsequent owner or lessee is bound by the conditions for the
 29 remainder of the period.
- 30 (c) As used in this section, "pedestrian skyway" means a pedestrian
 31 walkway within or outside of the public right-of-way and through and
 32 above public or private property and buildings, including all structural
 33 supports required to connect skyways to buildings or buildings under
 34 construction. Pedestrian skyways constructed, extended, or improved
 35 over or through public or private property constitute public property
 36 and public improvements, constitute a public use and purpose, and do
 37 not require vacation of any public way or other property.
- 38 (d) All powers that may be exercised under this chapter by the

1 redevelopment commission may also be exercised by the
 2 redevelopment commission in carrying out its duties and purposes
 3 under IC 36-7-14.5. **However, if a power pertains to issuing bonds**
 4 **or incurring an obligation, the exercise of the power must first be**
 5 **specifically approved by the legislative body of the unit.**

6 SECTION 33. IC 36-7-14-13 IS AMENDED TO READ AS
 7 FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 13. (a) Within thirty
 8 (30) days after the close of each calendar year, the redevelopment
 9 commissioners shall file with the unit's executive a report setting out
 10 their activities during the preceding calendar year.

11 (b) The report of the commissioners of a municipal redevelopment
 12 commission must show the names of the then qualified and acting
 13 commissioners, the names of the officers of that body, the number of
 14 regular employees and their fixed salaries or compensation, the amount
 15 of the expenditures made during the preceding year and their general
 16 purpose, the amount of funds on hand at the close of the calendar year,
 17 and other information necessary to disclose the activities of the
 18 commissioners and the results obtained.

19 (c) The report of the commissioners of a county redevelopment
 20 commission must show all the information required by subsection (b),
 21 plus the names of any commissioners appointed to or removed from
 22 office during the preceding calendar year.

23 **(d) A redevelopment commission and a department of**
 24 **redevelopment are subject to the same laws, rules, and ordinances**
 25 **of a general nature that apply to all other commissions or**
 26 **departments of the unit.**

27 SECTION 34. IC 36-7-14-19, AS AMENDED BY P.L.185-2005,
 28 SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 29 JULY 1, 2011]: Sec. 19. (a) If no appeal is taken or if an appeal is
 30 taken but is unsuccessful, the redevelopment commission shall proceed
 31 with the proposed project to the extent that money is available for that
 32 purpose.

33 (b) The redevelopment commission shall first approve and adopt a
 34 list of the real property and interests in real property to be acquired and
 35 the price to be offered to the owner of each parcel of interest. The
 36 prices to be offered may not exceed the average of two (2) independent
 37 appraisals of fair market value procured by the commission except that
 38 appraisals are not required in transactions with other governmental

1 agencies. However, if the real property is less than five (5) acres in size
 2 and the fair market value of the real property or interest has been
 3 appraised by one (1) independent appraiser at less than ten thousand
 4 dollars (\$10,000), the second appraisal may be made by a qualified
 5 employee of the department of redevelopment. The prices indicated on
 6 the list may not be exceeded unless specifically authorized by the
 7 commission or ordered by a court in condemnation proceedings. The
 8 commission may except from acquisition any real property in the area
 9 if the commission finds that such an acquisition is not necessary under
 10 the redevelopment plan. Appraisals made under this section are for the
 11 information of the commission and are not open for public inspection.

12 (c) Negotiations for the purchase of property may be carried on
 13 directly by the redevelopment commission, by its employees, or by
 14 expert negotiations, but no option, contract, or understanding relative
 15 to the purchase of real property is binding on the commission until
 16 approved and accepted by the commission in writing. The commission
 17 may authorize the payment of a nominal fee to bind an option and as a
 18 part of the consideration for conveyance may agree to pay the expense
 19 incident to the conveyance and determination of the title of the
 20 property. Payment for the property purchased shall be made when and
 21 as directed by the commission but only on delivery of proper
 22 instruments conveying the title or interest of the owner to the "City
 23 (Town or County) of _____ for the use and benefit of its
 24 department of redevelopment". **Notwithstanding the other provisions**
 25 **of this subsection, any agreement by the commission to:**

26 (1) **make payments for the property to be purchased over a**
 27 **term exceeding three (3) years; or**

28 (2) **pay a purchase price for the property that exceeds five**
 29 **million dollars (\$5,000,000);**

30 **is subject to the approval of the legislative body of the unit.**

31 (d) All real property and interests in real property acquired by the
 32 redevelopment commission are free and clear of all liens, assessments,
 33 and other governmental charges except for current property taxes,
 34 which shall be prorated to the date of acquisition.

35 (e) Notwithstanding subsections (a) through (d), the redevelopment
 36 commission may, before the time referred to in this section, accept gifts
 37 of property needed for the redevelopment of redevelopment project
 38 areas if the property is free and clear of all liens other than taxes,

1 assessments, and other governmental charges. The commission may,
 2 before the time referred to in this section, take options on or contract
 3 for the acquisition of property needed for the redevelopment of
 4 redevelopment project areas if the options and contracts are not binding
 5 on the commission or the district until the time referred to in this
 6 section and until money is available to pay the consideration set out in
 7 the options or contracts.

8 SECTION 35. IC 36-7-14-22.5, AS ADDED BY P.L.169-2006,
 9 SECTION 70, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 10 JULY 1, 2011]: Sec. 22.5. (a) This section applies to the following:

11 (1) Real property:

12 (A) that was acquired by the commission to carry out a
 13 redevelopment project, an economic development area project,
 14 or an urban renewal project; and

15 (B) relative to which the commission has, at a public hearing,
 16 decided that the real property is not needed to complete the
 17 redevelopment activity, an economic development activity, or
 18 urban renewal activity in the project area.

19 (2) Real property acquired under this chapter that is not in a
 20 redevelopment project area, economic development area, or an
 21 urban renewal project area.

22 (3) Parcels of property secured from the county under
 23 IC 6-1.1-25-9(e) that were acquired by the county under
 24 IC 6-1.1-24 and IC 6-1.1-25.

25 (4) Real property donated or transferred to the commission to be
 26 held and disposed of under this section.

27 However, this section does not apply to property acquired under section
 28 32.5 of this chapter.

29 (b) The commission may do the following to or for real property
 30 described in subsection (a):

31 (1) Examine, classify, manage, protect, insure, and maintain the
 32 property.

33 (2) Eliminate deficiencies (including environmental deficiencies),
 34 carry out repairs, remove structures, and make improvements.

35 (3) Control the use of the property.

36 (4) Lease the property.

37 (5) Use any powers under section 12.2 of this chapter in relation
 38 to the property.

1 (c) The commission may enter into contracts to carry out part or all
2 of the functions described in subsection (b).

3 (d) The commission may extinguish all delinquent taxes, special
4 assessments, and penalties relative to real property donated to the
5 commission to be held and disposed of under this section. The
6 commission shall provide the county auditor with a list of the real
7 property on which delinquent taxes, special assessments, and penalties
8 are extinguished under this subsection.

9 (e) **Subject to the prior approval by the legislative body of the**
10 **unit**, real property described in subsection (a) may be sold, exchanged,
11 transferred, granted, donated, or otherwise disposed of in any of the
12 following ways:

13 (1) In accordance with section 22, 22.2, 22.6, or 22.7 of this
14 chapter.

15 (2) In accordance with the provisions authorizing an urban
16 homesteading program under IC 36-7-17.

17 **The commission shall provide to the legislative body at the public**
18 **meeting all the information supporting the action the commission**
19 **proposes to take under this subsection, including any terms and**
20 **conditions the commission would have to agree to in order to carry**
21 **out the action.**

22 (f) In disposing of real property under subsection (e), the
23 commission may:

24 (1) group together properties for disposition in a manner that will
25 best serve the interest of the community, from the standpoint of
26 both human and economic welfare; and

27 (2) group together nearby or similar properties to facilitate
28 convenient disposition.

29 SECTION 36. IC 36-7-14-25.1, AS AMENDED BY P.L.146-2008,
30 SECTION 732, IS AMENDED TO READ AS FOLLOWS
31 [EFFECTIVE JULY 1, 2011]: Sec. 25.1. (a) In addition to other
32 methods of raising money for property acquisition or redevelopment in
33 a redevelopment project area, and in anticipation of the special tax to
34 be levied under section 27 of this chapter, the taxes allocated under
35 section 39 of this chapter, or other revenues of the district, or any
36 combination of these sources, the redevelopment commission may, by
37 **bond** resolution and subject to ~~subsection~~ **subsections (c) and (p)**,
38 issue the bonds of the special taxing district in the name of the unit.

1 The amount of the bonds may not exceed the total, as estimated by the
 2 commission, of all expenses reasonably incurred in connection with the
 3 acquisition and redevelopment of the property, including:

- 4 (1) the total cost of all land, rights-of-way, and other property to
 5 be acquired and redeveloped;
- 6 (2) all reasonable and necessary architectural, engineering, legal,
 7 financing, accounting, advertising, bond discount, and
 8 supervisory expenses related to the acquisition and redevelopment
 9 of the property or the issuance of bonds;
- 10 (3) capitalized interest permitted by this chapter and a debt
 11 service reserve for the bonds to the extent the redevelopment
 12 commission determines that a reserve is reasonably required; and
- 13 (4) expenses that the redevelopment commission is required or
 14 permitted to pay under IC 8-23-17.

15 (b) If the redevelopment commission plans to acquire different
 16 parcels of land or let different contracts for redevelopment work at
 17 approximately the same time, whether under one (1) or more
 18 resolutions, the commission may provide for the total cost in one (1)
 19 issue of bonds.

20 (c) **The legislative body of the unit must adopt a resolution that**
 21 **includes the maximum principal amount, term, any provision for**
 22 **redemption prior to maturity, maximum interest rate or rates, any**
 23 **provisions for the payment of capitalized interest, public purpose**
 24 **of the bond, and the use of its proceeds.** The bonds must be dated as
 25 set forth in the bond resolution and negotiable, subject to the
 26 requirements of the bond resolution for registering the bonds. The
 27 resolution authorizing the bonds must state:

- 28 (1) the denominations of the bonds;
- 29 (2) the place or places at which the bonds are payable; and
- 30 (3) the term of the bonds, which may not exceed:
 - 31 (A) fifty (50) years, for bonds issued before July 1, 2008;
 - 32 (B) thirty (30) years, for bonds issued after June 30, 2008, to
 33 finance:
 - 34 (i) an integrated coal gasification powerplant (as defined in
 35 IC 6-3.1-29-6);
 - 36 (ii) a part of an integrated coal gasification powerplant (as
 37 defined in IC 6-3.1-29-6); or
 - 38 (iii) property used in the operation or maintenance of an

1 integrated coal gasification powerplant (as defined in
 2 IC 6-3.1-29-6);
 3 that received a certificate of public convenience and necessity
 4 from the Indiana utility regulatory commission under
 5 IC 8-1-8.5 et seq. before July 1, 2008; or
 6 (C) twenty-five (25) years, for bonds issued after June 30,
 7 2008, that are not described in clause (B).

8 The **bond** resolution may also state that the bonds are redeemable
 9 before maturity with or without a premium, as determined by the
 10 redevelopment commission.

11 (d) The redevelopment commission shall certify a copy of the
 12 resolution authorizing the bonds to the municipal or county fiscal
 13 officer, who shall then prepare the bonds, subject to subsection (p). The
 14 seal of the unit must be impressed on the bonds, or a facsimile of the
 15 seal must be printed on the bonds.

16 (e) The bonds must be executed by the appropriate officer of the
 17 unit and attested by the municipal or county fiscal officer.

18 (f) The bonds are exempt from taxation for all purposes.

19 (g) The municipal or county fiscal officer shall give notice of the
 20 sale of the bonds by publication in accordance with IC 5-3-1. The
 21 municipal fiscal officer, or county fiscal officer or executive, shall sell
 22 the bonds to the highest bidder, but may not sell them for less than
 23 ninety-seven percent (97%) of their par value. However, bonds payable
 24 solely or in part from tax proceeds allocated under section 39(b)(2) of
 25 this chapter, or other revenues of the district may be sold at a private
 26 negotiated sale.

27 (h) Except as provided in subsection (i), a redevelopment
 28 commission may not issue the bonds when the total issue, including
 29 bonds already issued and to be issued, exceeds two percent (2%) of the
 30 adjusted value of the taxable property in the special taxing district, as
 31 determined under IC 36-1-15.

32 (i) The bonds are not a corporate obligation of the unit but are an
 33 indebtedness of the taxing district. The bonds and interest are payable,
 34 as set forth in the bond resolution of the redevelopment commission:

35 (1) from a special tax levied upon all of the property in the taxing
 36 district, as provided by section 27 of this chapter;

37 (2) from the tax proceeds allocated under section 39(b)(2) of this
 38 chapter;

1 (3) from other revenues available to the redevelopment
2 commission; or

3 (4) from a combination of the methods stated in subdivisions (1)
4 through (3).

5 If the bonds are payable solely from the tax proceeds allocated under
6 section 39(b)(2) of this chapter, other revenues of the redevelopment
7 commission, or any combination of these sources, they may be issued
8 in ~~any amount without limitation: the amount approved by the~~
9 **legislative body in the resolution described in subsection (c).**

10 (j) Proceeds from the sale of bonds may be used to pay the cost of
11 interest on the bonds for a period not to exceed five (5) years from the
12 date of issuance.

13 (k) All laws relating to the giving of notice of the issuance of bonds,
14 the giving of notice of a hearing on the appropriation of the proceeds
15 of the bonds, the right of taxpayers to appear and be heard on the
16 proposed appropriation, and the approval of the appropriation by the
17 department of local government finance apply to all bonds issued under
18 this chapter that are payable from the special benefits tax levied
19 pursuant to section 27 of this chapter or from taxes allocated under
20 section 39 of this chapter.

21 (l) All laws relating to:

22 (1) the filing of petitions requesting the issuance of bonds; and

23 (2) the right of:

24 (A) taxpayers and voters to remonstrate against the issuance of
25 bonds in the case of a proposed bond issue described by
26 IC 6-1.1-20-3.1(a); or

27 (B) voters to vote on the issuance of bonds in the case of a
28 proposed bond issue described by IC 6-1.1-20-3.5(a);

29 apply to bonds issued under this chapter except for bonds payable
30 solely from tax proceeds allocated under section 39(b)(2) of this
31 chapter, other revenues of the redevelopment commission, or any
32 combination of these sources.

33 (m) If a debt service reserve is created from the proceeds of bonds,
34 the debt service reserve may be used to pay principal and interest on
35 the bonds as provided in the bond resolution.

36 (n) Any amount remaining in the debt service reserve after all of the
37 bonds of the issue for which the debt service reserve was established
38 have matured shall be:

1 (1) deposited in the allocation fund established under section
2 39(b)(2) of this chapter; and

3 (2) to the extent permitted by law, transferred to the county or
4 municipality that established the department of redevelopment for
5 use in reducing the county's or municipality's property tax levies
6 for debt service.

7 (o) If bonds are issued under this chapter that are payable solely or
8 in part from revenues to the redevelopment commission from a project
9 or projects, the redevelopment commission may adopt a resolution or
10 trust indenture or enter into covenants as is customary in the issuance
11 of revenue bonds. The resolution or trust indenture may pledge or
12 assign the revenues from the project or projects, but may not convey or
13 mortgage any project or parts of a project. The resolution or trust
14 indenture may also contain any provisions for protecting and enforcing
15 the rights and remedies of the bond owners as may be reasonable and
16 proper and not in violation of law, including covenants setting forth the
17 duties of the redevelopment commission. The redevelopment
18 commission may establish fees and charges for the use of any project
19 and covenant with the owners of any bonds to set those fees and
20 charges at a rate sufficient to protect the interest of the owners of the
21 bonds. Any revenue bonds issued by the redevelopment commission
22 that are payable solely from revenues of the commission shall contain
23 a statement to that effect in the form of bond.

24 (p) If the total principal amount of bonds authorized by a resolution
25 of the redevelopment commission adopted before July 1, 2008, is equal
26 to or greater than three million dollars (\$3,000,000), the bonds may not
27 be issued without the approval, by resolution, of the legislative body of
28 the unit. Bonds authorized in any principal amount by a resolution of
29 the redevelopment commission adopted after June 30, 2008, may not
30 be issued without the approval of the legislative body of the unit.

31 SECTION 37. IC 36-7-14-25.2, AS AMENDED BY P.L.146-2008,
32 SECTION 733, IS AMENDED TO READ AS FOLLOWS
33 [EFFECTIVE JULY 1, 2011]: Sec. 25.2. (a) **Subject to the prior**
34 **approval of the legislative body of the unit**, a redevelopment
35 commission may enter into a lease of any property that could be
36 financed with the proceeds of bonds issued under this chapter with a
37 lessor for a term not to exceed:

38 (1) fifty (50) years, for a lease entered into before July 1, 2008; or

1 (2) twenty-five (25) years, for a lease entered into after June 30,
2 2008.

3 The lease may provide for payments to be made by the redevelopment
4 commission from special benefits taxes levied under section 27 of this
5 chapter, taxes allocated under section 39 of this chapter, any other
6 revenues available to the redevelopment commission, or any
7 combination of these sources.

8 (b) A lease may provide that payments by the redevelopment
9 commission to the lessor are required only to the extent and only for the
10 period that the lessor is able to provide the leased facilities in
11 accordance with the lease. The terms of each lease must be based upon
12 the value of the facilities leased and may not create a debt of the unit
13 or the district for purposes of the Constitution of the State of Indiana.

14 (c) A lease may be entered into by the redevelopment commission
15 only after a public hearing by the redevelopment commission at which
16 all interested parties are provided the opportunity to be heard. After the
17 public hearing, the redevelopment commission may adopt a resolution
18 authorizing the execution of the lease on behalf of the unit if it finds
19 that the service to be provided throughout the term of the lease will
20 serve the public purpose of the unit and is in the best interests of its
21 residents. Any lease approved by a resolution of the redevelopment
22 commission must **also** be approved by an ordinance of the fiscal body
23 of the unit. **The approving ordinance or resolution of a legislative
24 body must include the following:**

25 **(1) The maximum annual lease rental for the lease.**

26 **(2) The maximum interest rate or rates, any provisions for
27 redemption prior to maturity, and any provisions for the
28 payment of capitalized interest associated with the lease.**

29 **(3) The maximum term of the lease.**

30 (d) Upon execution of a lease providing for payments by the
31 redevelopment commission in whole or in part from the levy of special
32 benefits taxes under section 27 of this chapter and upon approval of the
33 lease by the unit's fiscal body, the redevelopment commission shall
34 publish notice of the execution of the lease and its approval in
35 accordance with IC 5-3-1. Fifty (50) or more taxpayers residing in the
36 redevelopment district who will be affected by the lease and who may
37 be of the opinion that no necessity exists for the execution of the lease
38 or that the payments provided for in the lease are not fair and

1 reasonable may file a petition in the office of the county auditor within
2 thirty (30) days after the publication of the notice of execution and
3 approval. The petition must set forth the petitioners' names, addresses,
4 and objections to the lease and the facts showing that the execution of
5 the lease is unnecessary or unwise or that the payments provided for in
6 the lease are not fair and reasonable, as the case may be.

7 (e) Upon the filing of the petition, the county auditor shall
8 immediately certify a copy of it, together with such other data as may
9 be necessary in order to present the questions involved, to the
10 department of local government finance. Upon receipt of the certified
11 petition and information, the department of local government finance
12 shall fix a time and place for a hearing in the redevelopment district,
13 which must be not less than five (5) or more than thirty (30) days after
14 the time is fixed. Notice of the hearing shall be given by the department
15 of local government finance to the members of the fiscal body, to the
16 redevelopment commission, and to the first fifty (50) petitioners on the
17 petition by a letter signed by the commissioner or deputy commissioner
18 of the department and enclosed with fully prepaid postage sent to those
19 persons at their usual place of residence, at least five (5) days before
20 the date of the hearing. The decision of the department of local
21 government finance on the appeal, upon the necessity for the execution
22 of the lease, and as to whether the payments under it are fair and
23 reasonable, is final.

24 (f) A redevelopment commission entering into a lease payable from
25 allocated taxes under section 39 of this chapter or other available funds
26 of the redevelopment commission may:

27 (1) pledge the revenue to make payments under the lease pursuant
28 to IC 5-1-14-4; and

29 (2) establish a special fund to make the payments.

30 (g) Lease rentals may be limited to money in the special fund so that
31 the obligations of the redevelopment commission to make the lease
32 rental payments are not considered debt of the unit or the district for
33 purposes of the Constitution of the State of Indiana.

34 (h) Except as provided in this section, no approvals of any
35 governmental body or agency are required before the redevelopment
36 commission enters into a lease under this section.

37 (i) An action to contest the validity of the lease or to enjoin the
38 performance of any of its terms and conditions must be brought within

1 thirty (30) days after the publication of the notice of the execution and
 2 approval of the lease. However, if the lease is payable in whole or in
 3 part from tax levies and an appeal has been taken to the department of
 4 local government finance, an action to contest the validity or enjoin the
 5 performance must be brought within thirty (30) days after the decision
 6 of the department.

7 (j) If a redevelopment commission exercises an option to buy a
 8 leased facility from a lessor, the redevelopment commission may
 9 subsequently sell the leased facility, without regard to any other statute,
 10 to the lessor at the end of the lease term at a price set forth in the lease
 11 or at fair market value established at the time of the sale by the
 12 redevelopment commission through auction, appraisal, or arms length
 13 negotiation. If the facility is sold at auction, after appraisal, or through
 14 negotiation, the redevelopment commission shall conduct a hearing
 15 after public notice in accordance with IC 5-3-1 before the sale. Any
 16 action to contest the sale must be brought within fifteen (15) days of
 17 the hearing.

18 SECTION 38. IC 36-7-14-27, AS AMENDED BY P.L.146-2008,
 19 SECTION 734, IS AMENDED TO READ AS FOLLOWS
 20 [EFFECTIVE JULY 1, 2011]: Sec. 27. (a) This section applies only to:

- 21 (1) bonds that are issued under section 25.1 of this chapter; and
- 22 (2) leases entered into under section 25.2 of this chapter;

23 which are payable from a special tax levied upon all of the property in
 24 the special taxing district. This section does not apply to bonds or
 25 leases that are payable solely from tax proceeds allocated under section
 26 39(b)(2) of this chapter, other revenues of the redevelopment
 27 commission, or any combination of these sources.

28 (b) The redevelopment commission, **with the approval of the**
 29 **legislative body**, shall levy each year a special tax on all of the
 30 property of the redevelopment taxing district, in such a manner as to
 31 meet and pay the principal of the bonds as they mature, together with
 32 all accruing interest on the bonds or lease rental payments under
 33 section 25.2 of this chapter. The commission shall cause the tax levied
 34 to be certified to the proper officers as other tax levies are certified, and
 35 to the auditor of the county in which the redevelopment district is
 36 located, before the second day of October in each year. The tax shall be
 37 estimated and entered on the tax duplicate by the county auditor and
 38 shall be collected and enforced by the county treasurer in the same

1 manner as other state and county taxes are estimated, entered,
2 collected, and enforced. The amount of the tax levied to pay bonds or
3 lease rentals payable from the tax levied under this section shall be
4 reduced by any amount available in the allocation fund established
5 under section 39(b)(2) of this chapter or other revenues of the
6 redevelopment commission to the extent such revenues have been set
7 aside in the redevelopment bond fund.

8 (c) As the tax is collected, it shall be accumulated in a separate fund
9 to be known as the redevelopment district bond fund and shall be
10 applied to the payment of the bonds as they mature and the interest on
11 the bonds as it accrues, or to make lease payments and to no other
12 purpose. All accumulations of the fund before their use for the payment
13 of bonds and interest or to make lease payments shall be deposited with
14 the depository or depositories for other public funds of the unit in
15 accordance with IC 5-13, unless they are invested under IC 5-13-9.

16 (d) If there are no outstanding bonds that are payable solely or in
17 part from tax proceeds allocated under section 39(b)(2) of this chapter
18 and that were issued to pay costs of redevelopment in an allocation area
19 that is located wholly or in part in the special taxing district, then all
20 proceeds from the sale or leasing of property in the allocation area
21 under section 22 of this chapter shall be paid into the redevelopment
22 district bond fund and become a part of that fund. In arriving at the tax
23 levy for any year, the redevelopment commission shall take into
24 account the amount of the proceeds deposited under this subsection and
25 remaining on hand.

26 (e) The tax levies provided for in this section are reviewable by
27 other bodies vested by law with the authority to ascertain that the levies
28 are sufficient to raise the amount that, with other amounts available, is
29 sufficient to meet the payments under the lease payable from the levy
30 of taxes.

31 SECTION 39. IC 36-7-14-27.5, AS AMENDED BY P.L.146-2008,
32 SECTION 735, IS AMENDED TO READ AS FOLLOWS
33 [EFFECTIVE JULY 1, 2011]: Sec. 27.5. (a) **Subject to the prior**
34 **approval by the legislative body of the unit**, the redevelopment
35 commission may borrow money in anticipation of receipt of the
36 proceeds of taxes levied for the redevelopment district bond fund and
37 not yet collected, and may evidence this borrowing by issuing warrants
38 of the redevelopment district. However, the aggregate principal amount

1 of warrants issued in anticipation of and payable from the same tax
2 levy or levies may not exceed an amount equal to eighty percent (80%)
3 of that tax levy or levies, as certified by the department of local
4 government finance, or as determined by multiplying the rate of tax as
5 finally approved by the total assessed valuation (after deducting all
6 mortgage deductions) within the redevelopment district, as most
7 recently certified by the county auditor.

8 (b) The warrants may be authorized and issued at any time after the
9 tax or taxes in anticipation of which they are issued have been levied
10 by the redevelopment commission. For purposes of this section, taxes
11 for any year are considered to be levied upon adoption by the
12 commission of a resolution prescribing the tax levies for the year.
13 However, the warrants may not be delivered and paid for before final
14 approval of the tax levy or levies by the county board of tax adjustment
15 or, if appealed, by the department of local government finance, unless
16 the issuance of the warrants has been approved by the department.

17 (c) All action that this section requires or authorizes the
18 redevelopment commission to take may be taken by resolution, which
19 need not be published or posted. The resolution takes effect
20 immediately upon its adoption by the redevelopment commission. An
21 action to contest the validity of tax anticipation warrants may not be
22 brought later than ten (10) days after the sale date.

23 (d) In their resolution authorizing the warrants, the redevelopment
24 commission must provide that the warrants mature at a time or times
25 not later than December 31 after the year in which the taxes in
26 anticipation of which the warrants are issued are due and payable.

27 (e) In their resolution authorizing the warrants, the redevelopment
28 commission may provide:

- 29 (1) the date of the warrants;
- 30 (2) the interest rate of the warrants;
- 31 (3) the time of interest payments on the warrants;
- 32 (4) the denomination of the warrants;
- 33 (5) the form either registered or payable to bearer, of the warrants;
- 34 (6) the place or places of payment of the warrants, either inside or
35 outside the state;
- 36 (7) the medium of payment of the warrants;
- 37 (8) the terms of redemption, if any, of the warrants, at a price not
38 exceeding par value and accrued interest;

- 1 (9) the manner of execution of the warrants; and
 2 (10) that all costs incurred in connection with the issuance of the
 3 warrants may be paid from the proceeds of the warrants.

4 (f) The warrants shall be sold for not less than par value, after notice
 5 inviting bids has been published under IC 5-3-1. The redevelopment
 6 commission may also publish the notice in other newspapers or
 7 financial journals.

8 (g) Warrants and the interest on them are not subject to any
 9 limitation contained in section 25.1 of this chapter, and are payable
 10 solely from the proceeds of the tax levy or levies in anticipation of
 11 which the warrants were issued. The authorizing resolution must
 12 pledge a sufficient amount of the proceeds of the tax levy or levies to
 13 the payment of the warrants and the interest.

14 SECTION 40. IC 36-7-14-39, AS AMENDED BY
 15 P.L.182-2009(ss), SECTION 404, IS AMENDED TO READ AS
 16 FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 39. (a) As used in this
 17 section:

18 "Allocation area" means that part of a redevelopment project area
 19 to which an allocation provision of a declaratory resolution adopted
 20 under section 15 of this chapter refers for purposes of distribution and
 21 allocation of property taxes.

22 "Base assessed value" means the following:

23 (1) If an allocation provision is adopted after June 30, 1995, in a
 24 declaratory resolution or an amendment to a declaratory
 25 resolution establishing an economic development area:

26 (A) the net assessed value of all the property as finally
 27 determined for the assessment date immediately preceding the
 28 effective date of the allocation provision of the declaratory
 29 resolution, as adjusted under subsection (h); plus

30 (B) to the extent that it is not included in clause (A), the net
 31 assessed value of property that is assessed as residential
 32 property under the rules of the department of local government
 33 finance, as finally determined for any assessment date after the
 34 effective date of the allocation provision.

35 (2) If an allocation provision is adopted after June 30, 1997, in a
 36 declaratory resolution or an amendment to a declaratory
 37 resolution establishing a redevelopment project area:

38 (A) the net assessed value of all the property as finally

1 determined for the assessment date immediately preceding the
 2 effective date of the allocation provision of the declaratory
 3 resolution, as adjusted under subsection (h); plus
 4 (B) to the extent that it is not included in clause (A), the net
 5 assessed value of property that is assessed as residential
 6 property under the rules of the department of local government
 7 finance, as finally determined for any assessment date after the
 8 effective date of the allocation provision.

9 (3) If:

10 (A) an allocation provision adopted before June 30, 1995, in
 11 a declaratory resolution or an amendment to a declaratory
 12 resolution establishing a redevelopment project area expires
 13 after June 30, 1997; and

14 (B) after June 30, 1997, a new allocation provision is included
 15 in an amendment to the declaratory resolution;

16 the net assessed value of all the property as finally determined for
 17 the assessment date immediately preceding the effective date of
 18 the allocation provision adopted after June 30, 1997, as adjusted
 19 under subsection (h).

20 (4) Except as provided in subdivision (5), for all other allocation
 21 areas, the net assessed value of all the property as finally
 22 determined for the assessment date immediately preceding the
 23 effective date of the allocation provision of the declaratory
 24 resolution, as adjusted under subsection (h).

25 (5) If an allocation area established in an economic development
 26 area before July 1, 1995, is expanded after June 30, 1995, the
 27 definition in subdivision (1) applies to the expanded part of the
 28 area added after June 30, 1995.

29 (6) If an allocation area established in a redevelopment project
 30 area before July 1, 1997, is expanded after June 30, 1997, the
 31 definition in subdivision (2) applies to the expanded part of the
 32 area added after June 30, 1997.

33 Except as provided in section 39.3 of this chapter, "property taxes"
 34 means taxes imposed under IC 6-1.1 on real property. However, upon
 35 approval by a resolution of the redevelopment commission adopted
 36 before June 1, 1987, "property taxes" also includes taxes imposed
 37 under IC 6-1.1 on depreciable personal property. If a redevelopment
 38 commission adopted before June 1, 1987, a resolution to include within

1 the definition of property taxes taxes imposed under IC 6-1.1 on
2 depreciable personal property that has a useful life in excess of eight
3 (8) years, the commission may by resolution determine the percentage
4 of taxes imposed under IC 6-1.1 on all depreciable personal property
5 that will be included within the definition of property taxes. However,
6 the percentage included must not exceed twenty-five percent (25%) of
7 the taxes imposed under IC 6-1.1 on all depreciable personal property.

8 (b) A declaratory resolution adopted under section 15 of this chapter
9 on or before the allocation deadline determined under subsection (i)
10 may include a provision with respect to the allocation and distribution
11 of property taxes for the purposes and in the manner provided in this
12 section. A declaratory resolution previously adopted may include an
13 allocation provision by the amendment of that declaratory resolution on
14 or before the allocation deadline determined under subsection (i) in
15 accordance with the procedures required for its original adoption. A
16 declaratory resolution or an amendment that establishes an allocation
17 provision after June 30, 1995, must specify an expiration date for the
18 allocation provision. For an allocation area established before July 1,
19 2008, the expiration date may not be more than thirty (30) years after
20 the date on which the allocation provision is established. For an
21 allocation area established after June 30, 2008, the expiration date may
22 not be more than twenty-five (25) years after the date on which the first
23 obligation was incurred to pay principal and interest on bonds or lease
24 rentals on leases payable from tax increment revenues. However, with
25 respect to bonds or other obligations that were issued before July 1,
26 2008, if any of the bonds or other obligations that were scheduled when
27 issued to mature before the specified expiration date and that are
28 payable only from allocated tax proceeds with respect to the allocation
29 area remain outstanding as of the expiration date, the allocation
30 provision does not expire until all of the bonds or other obligations are
31 no longer outstanding. The allocation provision may apply to all or part
32 of the redevelopment project area. The allocation provision must
33 require that any property taxes subsequently levied by or for the benefit
34 of any public body entitled to a distribution of property taxes on taxable
35 property in the allocation area be allocated and distributed as follows:

36 (1) Except as otherwise provided in this section, the proceeds of
37 the taxes attributable to the lesser of:

38 (A) the assessed value of the property for the assessment date

- 1 with respect to which the allocation and distribution is made;
2 or
3 (B) the base assessed value;
4 shall be allocated to and, when collected, paid into the funds of
5 the respective taxing units.
6 (2) Except as otherwise provided in this section, property tax
7 proceeds in excess of those described in subdivision (1) shall be
8 allocated to the redevelopment district and, when collected, paid
9 into an allocation fund for that allocation area that may be used by
10 the redevelopment district only to do one (1) or more of the
11 following:
12 (A) Pay the principal of and interest on any obligations
13 payable solely from allocated tax proceeds which are incurred
14 by the redevelopment district for the purpose of financing or
15 refinancing the redevelopment of that allocation area.
16 (B) Establish, augment, or restore the debt service reserve for
17 bonds payable solely or in part from allocated tax proceeds in
18 that allocation area.
19 (C) Pay the principal of and interest on bonds payable from
20 allocated tax proceeds in that allocation area and from the
21 special tax levied under section 27 of this chapter.
22 (D) Pay the principal of and interest on bonds issued by the
23 unit to pay for local public improvements that are physically
24 located in or physically connected to that allocation area.
25 (E) Pay premiums on the redemption before maturity of bonds
26 payable solely or in part from allocated tax proceeds in that
27 allocation area.
28 (F) Make payments on leases payable from allocated tax
29 proceeds in that allocation area under section 25.2 of this
30 chapter.
31 (G) Reimburse the unit for expenditures made by it for local
32 public improvements (which include buildings, parking
33 facilities, and other items described in section 25.1(a) of this
34 chapter) that are physically located in or physically connected
35 to that allocation area.
36 (H) Reimburse the unit for rentals paid by it for a building or
37 parking facility that is physically located in or physically
38 connected to that allocation area under any lease entered into

- 1 under IC 36-1-10.
- 2 (I) For property taxes first due and payable before January 1,
3 2009, pay all or a part of a property tax replacement credit to
4 taxpayers in an allocation area as determined by the
5 redevelopment commission. This credit equals the amount
6 determined under the following STEPS for each taxpayer in a
7 taxing district (as defined in IC 6-1.1-1-20) that contains all or
8 part of the allocation area:
- 9 STEP ONE: Determine that part of the sum of the amounts
10 under IC 6-1.1-21-2(g)(1)(A), IC 6-1.1-21-2(g)(2),
11 IC 6-1.1-21-2(g)(3), IC 6-1.1-21-2(g)(4), and
12 IC 6-1.1-21-2(g)(5) that is attributable to the taxing district.
- 13 STEP TWO: Divide:
- 14 (i) that part of each county's eligible property tax
15 replacement amount (as defined in IC 6-1.1-21-2) for that
16 year as determined under IC 6-1.1-21-4 that is attributable
17 to the taxing district; by
18 (ii) the STEP ONE sum.
- 19 STEP THREE: Multiply:
- 20 (i) the STEP TWO quotient; times
21 (ii) the total amount of the taxpayer's taxes (as defined in
22 IC 6-1.1-21-2) levied in the taxing district that have been
23 allocated during that year to an allocation fund under this
24 section.
- 25 If not all the taxpayers in an allocation area receive the credit
26 in full, each taxpayer in the allocation area is entitled to
27 receive the same proportion of the credit. A taxpayer may not
28 receive a credit under this section and a credit under section
29 39.5 of this chapter (before its repeal) in the same year.
- 30 (J) Pay expenses incurred by the redevelopment commission
31 for local public improvements that are in the allocation area or
32 serving the allocation area. Public improvements include
33 buildings, parking facilities, and other items described in
34 section 25.1(a) of this chapter.
- 35 (K) Reimburse public and private entities for expenses
36 incurred in training employees of industrial facilities that are
37 located:
- 38 (i) in the allocation area; and

1 (ii) on a parcel of real property that has been classified as
 2 industrial property under the rules of the department of local
 3 government finance.

4 However, the total amount of money spent for this purpose in
 5 any year may not exceed the total amount of money in the
 6 allocation fund that is attributable to property taxes paid by the
 7 industrial facilities described in this clause. The
 8 reimbursements under this clause must be made within three
 9 (3) years after the date on which the investments that are the
 10 basis for the increment financing are made.

11 (L) Pay the costs of carrying out an eligible efficiency project
 12 (as defined in IC 36-9-41-1.5) within the unit that established
 13 the redevelopment commission. However, property tax
 14 proceeds may be used under this clause to pay the costs of
 15 carrying out an eligible efficiency project only if those
 16 property tax proceeds exceed the amount necessary to do the
 17 following:

18 (i) Make, when due, any payments required under clauses
 19 (A) through (K), including any payments of principal and
 20 interest on bonds and other obligations payable under this
 21 subdivision, any payments of premiums under this
 22 subdivision on the redemption before maturity of bonds, and
 23 any payments on leases payable under this subdivision.

24 (ii) Make any reimbursements required under this
 25 subdivision.

26 (iii) Pay any expenses required under this subdivision.

27 (iv) Establish, augment, or restore any debt service reserve
 28 under this subdivision.

29 The allocation fund may not be used for operating expenses of the
 30 commission.

31 (3) Except as provided in subsection (g), before July 15 of each
 32 year the commission shall do the following:

33 (A) Determine the amount, if any, by which the assessed value
 34 of the taxable property in the allocation area for the most
 35 recent assessment date minus the base assessed value, when
 36 multiplied by the estimated tax rate of the allocation area, will
 37 exceed the amount of assessed value needed to produce the
 38 property taxes necessary to make, when due, principal and

1 interest payments on bonds described in subdivision (2) plus
2 the amount necessary for other purposes described in
3 subdivision (2).

4 (B) Provide a written notice to the county auditor, the fiscal
5 body of the county or municipality that established the
6 department of redevelopment, and the officers who are
7 authorized to fix budgets, tax rates, and tax levies under
8 IC 6-1.1-17-5 for each of the other taxing units that is wholly
9 or partly located within the allocation area. The notice must:

10 (i) state the amount, if any, of excess assessed value that the
11 commission has determined may be allocated to the
12 respective taxing units in the manner prescribed in
13 subdivision (1); or

14 (ii) state that the commission has determined that there is no
15 excess assessed value that may be allocated to the respective
16 taxing units in the manner prescribed in subdivision (1).

17 The county auditor shall allocate to the respective taxing units
18 the amount, if any, of excess assessed value determined by the
19 commission. The commission may not authorize an allocation
20 of assessed value to the respective taxing units under this
21 subdivision if to do so would endanger the interests of the
22 holders of bonds described in subdivision (2) or lessors under
23 section 25.3 of this chapter.

24 **(C) Obtain the approval of the legislative body of the unit**
25 **if the amount of excess assessed value determined by the**
26 **commission is expected to generate more than two hundred**
27 **percent (200%) of the amount of allocated tax proceeds**
28 **necessary to carry out the redevelopment or economic**
29 **development plan as adopted under this chapter. The**
30 **legislative body of the unit may modify the commission's**
31 **determination with respect to the amount of excess**
32 **assessed value that is in excess of two hundred percent**
33 **(200%) of the amount of allocated tax proceeds necessary**
34 **to carry out the redevelopment or economic development**
35 **plan.**

36 (c) For the purpose of allocating taxes levied by or for any taxing
37 unit or units, the assessed value of taxable property in a territory in the
38 allocation area that is annexed by any taxing unit after the effective

1 date of the allocation provision of the declaratory resolution is the
2 lesser of:

- 3 (1) the assessed value of the property for the assessment date with
4 respect to which the allocation and distribution is made; or
5 (2) the base assessed value.

6 (d) Property tax proceeds allocable to the redevelopment district
7 under subsection (b)(2) may, subject to subsection (b)(3), be
8 irrevocably pledged by the redevelopment district for payment as set
9 forth in subsection (b)(2).

10 (e) Notwithstanding any other law, each assessor shall, upon
11 petition of the redevelopment commission, reassess the taxable
12 property situated upon or in, or added to, the allocation area, effective
13 on the next assessment date after the petition.

14 (f) Notwithstanding any other law, the assessed value of all taxable
15 property in the allocation area, for purposes of tax limitation, property
16 tax replacement, and formulation of the budget, tax rate, and tax levy
17 for each political subdivision in which the property is located is the
18 lesser of:

- 19 (1) the assessed value of the property as valued without regard to
20 this section; or
21 (2) the base assessed value.

22 (g) If any part of the allocation area is located in an enterprise zone
23 created under IC 5-28-15, the unit that designated the allocation area
24 shall create funds as specified in this subsection. A unit that has
25 obligations, bonds, or leases payable from allocated tax proceeds under
26 subsection (b)(2) shall establish an allocation fund for the purposes
27 specified in subsection (b)(2) and a special zone fund. Such a unit
28 shall, until the end of the enterprise zone phase out period, deposit each
29 year in the special zone fund any amount in the allocation fund derived
30 from property tax proceeds in excess of those described in subsection
31 (b)(1) from property located in the enterprise zone that exceeds the
32 amount sufficient for the purposes specified in subsection (b)(2) for the
33 year. The amount sufficient for purposes specified in subsection (b)(2)
34 for the year shall be determined based on the pro rata portion of such
35 current property tax proceeds from the part of the enterprise zone that
36 is within the allocation area as compared to all such current property
37 tax proceeds derived from the allocation area. A unit that has no
38 obligations, bonds, or leases payable from allocated tax proceeds under

1 subsection (b)(2) shall establish a special zone fund and deposit all the
2 property tax proceeds in excess of those described in subsection (b)(1)
3 in the fund derived from property tax proceeds in excess of those
4 described in subsection (b)(1) from property located in the enterprise
5 zone. The unit that creates the special zone fund shall use the fund
6 (based on the recommendations of the urban enterprise association) for
7 programs in job training, job enrichment, and basic skill development
8 that are designed to benefit residents and employers in the enterprise
9 zone or other purposes specified in subsection (b)(2), except that where
10 reference is made in subsection (b)(2) to allocation area it shall refer
11 for purposes of payments from the special zone fund only to that part
12 of the allocation area that is also located in the enterprise zone. Those
13 programs shall reserve at least one-half (1/2) of their enrollment in any
14 session for residents of the enterprise zone.

15 (h) The state board of accounts and department of local government
16 finance shall make the rules and prescribe the forms and procedures
17 that they consider expedient for the implementation of this chapter.
18 After each general reassessment under IC 6-1.1-4, the department of
19 local government finance shall adjust the base assessed value one (1)
20 time to neutralize any effect of the general reassessment on the
21 property tax proceeds allocated to the redevelopment district under this
22 section. After each annual adjustment under IC 6-1.1-4-4.5, the
23 department of local government finance shall adjust the base assessed
24 value one (1) time to neutralize any effect of the annual adjustment on
25 the property tax proceeds allocated to the redevelopment district under
26 this section. However, the adjustments under this subsection may not
27 include the effect of property tax abatements under IC 6-1.1-12.1, and
28 these adjustments may not produce less property tax proceeds allocable
29 to the redevelopment district under subsection (b)(2) than would
30 otherwise have been received if the general reassessment or annual
31 adjustment had not occurred. The department of local government
32 finance may prescribe procedures for county and township officials to
33 follow to assist the department in making the adjustments.

34 (i) The allocation deadline referred to in subsection (b) is
35 determined in the following manner:

- 36 (1) The initial allocation deadline is December 31, 2011.
37 (2) Subject to subdivision (3), the initial allocation deadline and
38 subsequent allocation deadlines are automatically extended in

1 increments of five (5) years, so that allocation deadlines
 2 subsequent to the initial allocation deadline fall on December 31,
 3 2016, and December 31 of each fifth year thereafter.

4 (3) At least one (1) year before the date of an allocation deadline
 5 determined under subdivision (2), the general assembly may enact
 6 a law that:

7 (A) terminates the automatic extension of allocation deadlines
 8 under subdivision (2); and

9 (B) specifically designates a particular date as the final
 10 allocation deadline.

11 SECTION 41. IC 36-7-14-43, AS AMENDED BY P.L.146-2008,
 12 SECTION 740, IS AMENDED TO READ AS FOLLOWS
 13 [EFFECTIVE JULY 1, 2011]: Sec. 43. (a) All of the rights, powers,
 14 privileges, and immunities that may be exercised by the commission in
 15 a redevelopment project area or urban renewal area may be exercised
 16 by the commission in an economic development area, subject to the
 17 following:

18 (1) The content and manner of exercise of these rights, powers,
 19 privileges, and immunities shall be determined by the purposes
 20 and nature of an economic development area. **A right, power,**
 21 **privilege, or immunity that pertains to issuing bonds or**
 22 **incurring an obligation may not be exercised by a**
 23 **redevelopment commission unless it is first specifically**
 24 **authorized by the legislative body, regardless of any other**
 25 **law.**

26 (2) Real property (or interests in real property) relative to which
 27 action is taken in an economic development area is not required
 28 to meet the conditions described in IC 36-7-1-3.

29 (3) The special tax levied in accordance with section 27 of this
 30 chapter may be used to carry out activities under this chapter in
 31 economic development areas.

32 (4) Bonds may be issued in accordance with section 25.1 of this
 33 chapter to defray expenses of carrying out activities under this
 34 chapter in economic development areas if no other revenue
 35 sources are available for this purpose.

36 (5) The tax exemptions set forth in section 37 of this chapter are
 37 applicable in economic development areas.

38 (6) An economic development area may be an allocation area for

1 the purposes of distribution and allocation of property taxes.

2 (7) The commission may not use its power of eminent domain
3 under section 20 of this chapter to carry out activities under this
4 chapter in an economic development area.

5 (b) The content and manner of discharge of duties set forth in
6 section 11 of this chapter shall be determined by the purposes and
7 nature of an economic development area.

8 SECTION 42. IC 36-7-14.5-7 IS AMENDED TO READ AS
9 FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 7. (a) A _____
10 Redevelopment Authority (the blank to be filled in with a name
11 designated by the legislative body of the unit) may be created in the
12 unit as a separate body corporate and politic and as an instrumentality
13 of the unit to exercise any power granted to the authority under this
14 chapter.

15 (b) An authority may be created by ordinance of the legislative body
16 of the unit.

17 **(c) An authority is a public agency for purposes of IC 5-14-1.5**
18 **and IC 5-14-3 and a municipality for purposes of IC 5-11-1.**

19 SECTION 43. IC 36-7-14.5-9 IS AMENDED TO READ AS
20 FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 9. (a) Immediately after
21 January 15 of each year, the board shall hold an organizational
22 meeting. It shall elect one (1) of the members president, another vice
23 president, and another secretary-treasurer to perform the duties of those
24 offices. These officers serve from the date of their election and until
25 their successors are elected and qualified. The board may elect an
26 assistant secretary-treasurer. **The secretary-treasurer shall report**
27 **quarterly to the fiscal officer of the unit that established the**
28 **redevelopment authority.**

29 (b) Special meetings may be called by the president of the board or
30 any two (2) members of the board.

31 (c) A majority of the members constitutes a quorum, and the
32 concurrence of a majority of the members is necessary to authorize any
33 action.

34 SECTION 44. IC 36-7-14.5-13 IS AMENDED TO READ AS
35 FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 13. (a) Bonds issued
36 under IC 36-7-14 may be refunded as provided in this section.

37 (b) **Subject to the prior approval of the legislative body of the**
38 **unit under IC 36-7-14-25.2**, the commission may:

1 (1) lease all or a portion of a local public improvement or
 2 improvements to the authority, which may be at a nominal lease
 3 rental with a lease back to the commission, conditioned upon the
 4 authority assuming bonds issued under IC 36-7-14 and issuing its
 5 bonds to refund those bonds; and

6 (2) sell all or a portion of a local public improvement or
 7 improvements to the authority for a price sufficient to provide for
 8 the refunding of those bonds and lease back the local public
 9 improvement or improvements from the authority.

10 SECTION 45. IC 36-7-14.5-14 IS AMENDED TO READ AS
 11 FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 14. (a) Before a lease
 12 may be entered into, the commission must:

13 (1) find that the lease rental provided for is fair and reasonable;
 14 **and**
 15 **(2) obtain the prior approval of the legislative body of the unit**
 16 **under IC 36-7-14-25.2.**

17 (b) A lease of local public improvements from the authority to the
 18 commission:

19 (1) must comply with IC 36-7-14-25.2 or IC 36-7-30-20;
 20 (2) may not require payment of lease rental for a newly
 21 constructed local public improvement or for improvements to an
 22 existing local public improvement except to the extent that the
 23 local public improvement or improvements thereto have been
 24 completed and are ready for occupancy or use;

25 (3) may contain provisions:
 26 (A) allowing the commission to continue to operate an existing
 27 local public improvement until completion of the
 28 improvements, reconstruction, or renovation; and
 29 (B) requiring payment of lease rentals for an existing local
 30 public improvement being used, reconstructed, or renovated;

31 (4) may contain an option to renew the lease for the same or
 32 shorter term on the conditions provided in the lease;

33 (5) must contain an option for the commission to purchase the
 34 local public improvement upon the terms stated in the lease
 35 during the term of the lease for a price equal to the amount
 36 required to pay all indebtedness incurred on account of the local
 37 public improvement, including indebtedness incurred for the
 38 refunding of that indebtedness;

- 1 (6) may be entered into before acquisition or construction of a
 2 local public improvement;
- 3 (7) may provide that the commission shall agree to:
- 4 (A) pay all taxes and assessments thereon;
- 5 (B) maintain insurance thereon for the benefit of the authority;
- 6 and
- 7 (C) assume responsibility for utilities, repairs, alterations, and
 8 any costs of operation; and
- 9 (8) may provide that the lease rental payments by the commission
 10 shall be made from any one (1) or more of the sources set forth in
 11 IC 36-7-14-25.2 or IC 36-7-30-20.

12 SECTION 46. IC 36-7-14.5-18 IS AMENDED TO READ AS
 13 FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 18. (a) The commission
 14 may lease for a nominal lease rental, or sell to the authority, one (1) or
 15 more local public improvements or portions thereof or land upon which
 16 a local public improvement is located or is to be constructed.

17 (b) Any lease of all or a portion of a local public improvement by
 18 the commission to the authority must be for a term equal to the term of
 19 the lease of that local public improvement back to the redevelopment
 20 commission.

21 (c) **Subject to the prior approval of the legislative body of the**
 22 **unit under IC 36-7-14-25.2**, the commission may sell property to the
 23 authority for such amount as it determines to be in the best interest of
 24 the commission, which amount may be paid from the proceeds of
 25 bonds of the authority.

26 SECTION 47. IC 36-7-14.5-19 IS AMENDED TO READ AS
 27 FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 19. (a) **Subject to the**
 28 **prior approval of the legislative body of the unit under**
 29 **IC 36-7-14-25.2**, the authority may issue bonds for the purpose of
 30 obtaining money to pay the cost of:

- 31 (1) acquiring property;
- 32 (2) constructing, improving, reconstructing, or renovating one (1)
 33 or more local public improvements; or
- 34 (3) funding or refunding bonds issued under this chapter or
 35 IC 36-7-14.

36 (b) The bonds are payable solely from the lease rentals from the
 37 lease of the local public improvement for which the bonds were issued,
 38 insurance proceeds, and any other funds pledged or available.

- 1 (c) The bonds shall be authorized by a resolution of the board.
- 2 (d) The terms and form of the bonds shall either be set out in the
3 resolution or in a form of trust indenture approved by the resolution.
- 4 (e) The bonds shall mature within fifty (50) years.
- 5 (f) The board shall sell the bonds at public or private sale upon such
6 terms as determined by the board.
- 7 (g) All money received from any bonds issued under this chapter
8 shall be applied solely to the payment of the cost of the acquisition or
9 construction, or both, of local public improvements, or the cost of
10 refunding or refinancing outstanding bonds, for which the bonds are
11 issued. The cost may include:
- 12 (1) planning and development of the local public improvements
13 and all related buildings, facilities, structures, and improvements;
14 (2) acquisition of a site and clearing and preparing the site for
15 construction;
16 (3) equipment, facilities, structures, and improvements that are
17 necessary or desirable to make the local public improvements that
18 are necessary or desirable to make the local public improvements
19 suitable for use and operations;
20 (4) architectural, engineering, consultant, and attorney fees;
21 (5) incidental expenses in connection with the issuance and sale
22 of bonds;
23 (6) reserves for principal and interest;
24 (7) interest during construction and for a period thereafter
25 determined by the board, but in no event to exceed five (5) years;
26 (8) financial advisory fees;
27 (9) insurance during construction;
28 (10) municipal bond insurance, debt service reserve insurance,
29 letters of credit, or other credit enhancement; and
30 (11) in the case of refunding or refinancing, payment of the
31 principal of, redemption premiums, if any, and interest on, the
32 bonds being refunded or refinanced.
- 33 SECTION 48. IC 36-7-14.5-21 IS AMENDED TO READ AS
34 FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 21. (a) The authority
35 may secure bonds issued under this chapter by a trust indenture
36 between the authority and a corporate trustee, which may be any trust
37 company or national or state bank within Indiana that has trust powers.
- 38 (b) **Subject to the prior approval of the legislative body under**

1 **IC 36-7-14-25.2**, the trust indenture may:

- 2 (1) pledge or assign lease rentals, receipts, and income from
 3 leased local public improvements, but may not mortgage land or
 4 local public improvements;
 5 (2) contain reasonable and proper provisions for protecting and
 6 enforcing the rights and remedies of the bondholders, including
 7 covenants setting forth the duties of the authority and board;
 8 (3) set forth the rights and remedies of bondholders and trustee;
 9 and
 10 (4) restrict the individual right of action of bondholders.

11 (c) Any pledge or assignment made by the authority under this
 12 section **and approved by the legislative body of the unit** is valid and
 13 binding in accordance with IC 5-1-14-4 from the time that the pledge
 14 or assignment is made, against all persons whether they have notice of
 15 the lien or not. Any trust indenture by which a pledge is created or an
 16 assignment need not be filed or recorded. The lien is perfected against
 17 third parties in accordance with IC 5-1-14-4.

18 SECTION 49. IC 36-7-14.5-22 IS AMENDED TO READ AS
 19 FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 22. If the commission
 20 exercises its option to purchase leased property, it may, **subject to the**
 21 **prior approval of the legislative body of the unit under**
 22 **IC 36-7-14-25.1**, issue its bonds as authorized by statute.

23 SECTION 50. IC 36-7-15.1-3.5 IS ADDED TO THE INDIANA
 24 CODE AS A **NEW SECTION** TO READ AS FOLLOWS
 25 [EFFECTIVE JULY 1, 2011]: **Sec. 3.5. (a) The controller of the**
 26 **consolidated city is the fiscal officer of a commission subject to this**
 27 **chapter.**

28 **(b) The controller may obtain financial services on a contractual**
 29 **basis for the purposes of carrying out the powers and duties of the**
 30 **commission and protecting the public interests related to the**
 31 **operations and funding of the commission. The controller has**
 32 **charge over and is responsible for the administration, investment,**
 33 **and disbursement of all funds and accounts of the authority in**
 34 **accordance with the requirements of state law that apply to other**
 35 **funds and accounts administered by the controller.**

36 SECTION 51. IC 36-7-15.1-12, AS AMENDED BY P.L.185-2005,
 37 SECTION 32, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 38 JULY 1, 2011]: Sec. 12. (a) If no appeal is taken, or if an appeal is

1 taken but is unsuccessful, the commission shall proceed with the
2 proposed project, to the extent that money is available for that purpose.

3 (b) The commission shall first approve and adopt a list of the real
4 property and interests in real property to be acquired, and the price to
5 be offered to the owner of each parcel or interests. The prices to be
6 offered may not exceed the average of two (2) independent appraisals
7 of fair market value procured by the commission, except that appraisals
8 are not required in transactions with other governmental agencies.
9 However, if the real property is less than five (5) acres in size and the
10 fair market value of the real property or interest has been appraised by
11 one (1) independent appraiser at less than ten thousand dollars
12 (\$10,000), the second appraisal may be made by a qualified employee
13 of the department. The prices indicated on the list may not be exceeded
14 unless specifically authorized by the commission under section 7 of
15 this chapter or ordered by a court in condemnation proceedings. The
16 commission may except from acquisition any real property in the area
17 if it finds that such an acquisition is not necessary under the
18 redevelopment plan. Appraisals made under this section are for the
19 information of the commission and are not open for public inspection.

20 (c) Negotiations for the purchase of property may be carried on
21 directly by the commission, by its employees, or by expert negotiators
22 employed for that purpose. The commission shall adopt a standard
23 form of option for use in negotiations, but no option, contract, or
24 understanding relative to the purchase of real property is binding on the
25 commission until approved and accepted by the commission in writing.
26 The commission may authorize the payment of a nominal fee to bind
27 an option, and as a part of the consideration for conveyance may agree
28 to pay the expense incident to the conveyance and determination of the
29 title of the property. Payment for the property purchased shall be made
30 when and as directed by the commission, but only on delivery of proper
31 instruments conveying the title or interest of the owner to "City of
32 _____ for the use and benefit of its Department of Metropolitan
33 Development". **Notwithstanding the other provisions of this**
34 **subsection, any agreement by the commission to make payments**
35 **for the property purchased over a term exceeding five (5) years is**
36 **subject to the approval of the legislative body of the unit.**

37 (d) Notwithstanding subsections (a) through (c), the commission
38 may, before the time referred to in this section, accept gifts of property

1 needed for the redevelopment of redevelopment project areas. The
2 commission may, before the time referred to in this section, take
3 options on or contract for the acquisition of property needed for the
4 redevelopment of redevelopment project areas if the options and
5 contracts are not binding on the commission or the redevelopment
6 district until the time referred to in this section and until money is
7 available to pay the consideration set out in the options or contracts.

8 (e) Section 15(a) through 15(h) of this chapter does not apply to
9 exchanges of real property (or interests in real property) in connection
10 with the acquisition of real property (or interests in real property) under
11 this section. In acquiring real property (or interests in real property)
12 under this section the commission may, as an alternative to offering
13 payment of money as specified in subsection (b), offer for the real
14 property (or interest in real property) that the commission desires to
15 acquire:

16 (1) exchange of real property or interests in real property owned
17 by the redevelopment district;

18 (2) exchange of real property or interests in real property owned
19 by the redevelopment district, along with the payment of money
20 by the commission; or

21 (3) exchange of real property or interests in real property owned
22 by the redevelopment district along with the payment of money by
23 the owner of the real property or interests in real property that the
24 commission desires to acquire.

25 The commission shall have the fair market value of the real property or
26 interests in real property owned by the redevelopment district appraised
27 as specified in section 15(b) of this chapter. The appraisers may not
28 also appraise the value of the real property or interests in real property
29 to be acquired by the redevelopment district. The commission shall
30 establish the nature of the offer to the owner based on the difference
31 between the average of the two (2) appraisals of the fair market value
32 of the real property or interests in real property to be acquired by the
33 commission and the average of the appraisals of fair market value of
34 the real property or interests in real property to be exchanged by the
35 commission.

36 SECTION 52. IC 36-7-15.1-26, AS AMENDED BY
37 P.L.182-2009(ss), SECTION 406, IS AMENDED TO READ AS
38 FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 26. (a) As used in this

1 section:

2 "Allocation area" means that part of a redevelopment project area
3 to which an allocation provision of a resolution adopted under section
4 8 of this chapter refers for purposes of distribution and allocation of
5 property taxes.

6 "Base assessed value" means the following:

7 (1) If an allocation provision is adopted after June 30, 1995, in a
8 declaratory resolution or an amendment to a declaratory
9 resolution establishing an economic development area:

10 (A) the net assessed value of all the property as finally
11 determined for the assessment date immediately preceding the
12 effective date of the allocation provision of the declaratory
13 resolution, as adjusted under subsection (h); plus

14 (B) to the extent that it is not included in clause (A), the net
15 assessed value of property that is assessed as residential
16 property under the rules of the department of local government
17 finance, as finally determined for any assessment date after the
18 effective date of the allocation provision.

19 (2) If an allocation provision is adopted after June 30, 1997, in a
20 declaratory resolution or an amendment to a declaratory
21 resolution establishing a redevelopment project area:

22 (A) the net assessed value of all the property as finally
23 determined for the assessment date immediately preceding the
24 effective date of the allocation provision of the declaratory
25 resolution, as adjusted under subsection (h); plus

26 (B) to the extent that it is not included in clause (A), the net
27 assessed value of property that is assessed as residential
28 property under the rules of the department of local government
29 finance, as finally determined for any assessment date after the
30 effective date of the allocation provision.

31 (3) If:

32 (A) an allocation provision adopted before June 30, 1995, in
33 a declaratory resolution or an amendment to a declaratory
34 resolution establishing a redevelopment project area expires
35 after June 30, 1997; and

36 (B) after June 30, 1997, a new allocation provision is included
37 in an amendment to the declaratory resolution;

38 the net assessed value of all the property as finally determined for

1 the assessment date immediately preceding the effective date of
2 the allocation provision adopted after June 30, 1997, as adjusted
3 under subsection (h).

4 (4) Except as provided in subdivision (5), for all other allocation
5 areas, the net assessed value of all the property as finally
6 determined for the assessment date immediately preceding the
7 effective date of the allocation provision of the declaratory
8 resolution, as adjusted under subsection (h).

9 (5) If an allocation area established in an economic development
10 area before July 1, 1995, is expanded after June 30, 1995, the
11 definition in subdivision (1) applies to the expanded part of the
12 area added after June 30, 1995.

13 (6) If an allocation area established in a redevelopment project
14 area before July 1, 1997, is expanded after June 30, 1997, the
15 definition in subdivision (2) applies to the expanded part of the
16 area added after June 30, 1997.

17 Except as provided in section 26.2 of this chapter, "property taxes"
18 means taxes imposed under IC 6-1.1 on real property. However, upon
19 approval by a resolution of the redevelopment commission adopted
20 before June 1, 1987, "property taxes" also includes taxes imposed
21 under IC 6-1.1 on depreciable personal property. If a redevelopment
22 commission adopted before June 1, 1987, a resolution to include within
23 the definition of property taxes taxes imposed under IC 6-1.1 on
24 depreciable personal property that has a useful life in excess of eight
25 (8) years, the commission may by resolution determine the percentage
26 of taxes imposed under IC 6-1.1 on all depreciable personal property
27 that will be included within the definition of property taxes. However,
28 the percentage included must not exceed twenty-five percent (25%) of
29 the taxes imposed under IC 6-1.1 on all depreciable personal property.

30 (b) A resolution adopted under section 8 of this chapter on or before
31 the allocation deadline determined under subsection (i) may include a
32 provision with respect to the allocation and distribution of property
33 taxes for the purposes and in the manner provided in this section. A
34 resolution previously adopted may include an allocation provision by
35 the amendment of that resolution on or before the allocation deadline
36 determined under subsection (i) in accordance with the procedures
37 required for its original adoption. A declaratory resolution or an
38 amendment that establishes an allocation provision after June 30, 1995,

1 must specify an expiration date for the allocation provision. For an
 2 allocation area established before July 1, 2008, the expiration date may
 3 not be more than thirty (30) years after the date on which the allocation
 4 provision is established. For an allocation area established after June
 5 30, 2008, the expiration date may not be more than twenty-five (25)
 6 years after the date on which the first obligation was incurred to pay
 7 principal and interest on bonds or lease rentals on leases payable from
 8 tax increment revenues. However, with respect to bonds or other
 9 obligations that were issued before July 1, 2008, if any of the bonds or
 10 other obligations that were scheduled when issued to mature before the
 11 specified expiration date and that are payable only from allocated tax
 12 proceeds with respect to the allocation area remain outstanding as of
 13 the expiration date, the allocation provision does not expire until all of
 14 the bonds or other obligations are no longer outstanding. The allocation
 15 provision may apply to all or part of the redevelopment project area.
 16 The allocation provision must require that any property taxes
 17 subsequently levied by or for the benefit of any public body entitled to
 18 a distribution of property taxes on taxable property in the allocation
 19 area be allocated and distributed as follows:

20 (1) Except as otherwise provided in this section, the proceeds of
 21 the taxes attributable to the lesser of:

- 22 (A) the assessed value of the property for the assessment date
 23 with respect to which the allocation and distribution is made;
 24 or

25 (B) the base assessed value;

26 shall be allocated to and, when collected, paid into the funds of
 27 the respective taxing units.

28 (2) Except as otherwise provided in this section, property tax
 29 proceeds in excess of those described in subdivision (1) shall be
 30 allocated to the redevelopment district and, when collected, paid
 31 into a special fund for that allocation area that may be used by the
 32 redevelopment district only to do one (1) or more of the
 33 following:

34 (A) Pay the principal of and interest on any obligations
 35 payable solely from allocated tax proceeds that are incurred by
 36 the redevelopment district for the purpose of financing or
 37 refinancing the redevelopment of that allocation area.

38 (B) Establish, augment, or restore the debt service reserve for

- 1 bonds payable solely or in part from allocated tax proceeds in
2 that allocation area.
- 3 (C) Pay the principal of and interest on bonds payable from
4 allocated tax proceeds in that allocation area and from the
5 special tax levied under section 19 of this chapter.
- 6 (D) Pay the principal of and interest on bonds issued by the
7 consolidated city to pay for local public improvements that are
8 physically located in or physically connected to that allocation
9 area.
- 10 (E) Pay premiums on the redemption before maturity of bonds
11 payable solely or in part from allocated tax proceeds in that
12 allocation area.
- 13 (F) Make payments on leases payable from allocated tax
14 proceeds in that allocation area under section 17.1 of this
15 chapter.
- 16 (G) Reimburse the consolidated city for expenditures for local
17 public improvements (which include buildings, parking
18 facilities, and other items set forth in section 17 of this
19 chapter) that are physically located in or physically connected
20 to that allocation area.
- 21 (H) Reimburse the unit for rentals paid by it for a building or
22 parking facility that is physically located in or physically
23 connected to that allocation area under any lease entered into
24 under IC 36-1-10.
- 25 (I) Reimburse public and private entities for expenses incurred
26 in training employees of industrial facilities that are located:
27 (i) in the allocation area; and
28 (ii) on a parcel of real property that has been classified as
29 industrial property under the rules of the department of local
30 government finance.
- 31 However, the total amount of money spent for this purpose in
32 any year may not exceed the total amount of money in the
33 allocation fund that is attributable to property taxes paid by the
34 industrial facilities described in this clause. The
35 reimbursements under this clause must be made within three
36 (3) years after the date on which the investments that are the
37 basis for the increment financing are made.
- 38 (J) Pay the costs of carrying out an eligible efficiency project

1 (as defined in IC 36-9-41-1.5) within the unit that established
2 the redevelopment commission. However, property tax
3 proceeds may be used under this clause to pay the costs of
4 carrying out an eligible efficiency project only if those
5 property tax proceeds exceed the amount necessary to do the
6 following:

- 7 (i) Make, when due, any payments required under clauses
- 8 (A) through (I), including any payments of principal and
- 9 interest on bonds and other obligations payable under this
- 10 subdivision, any payments of premiums under this
- 11 subdivision on the redemption before maturity of bonds, and
- 12 any payments on leases payable under this subdivision.
- 13 (ii) Make any reimbursements required under this
- 14 subdivision.
- 15 (iii) Pay any expenses required under this subdivision.
- 16 (iv) Establish, augment, or restore any debt service reserve
- 17 under this subdivision.

18 The special fund may not be used for operating expenses of the
19 commission.

20 (3) Before July 15 of each year, the commission shall do the
21 following:

- 22 (A) Determine the amount, if any, by which the assessed value
- 23 of the taxable property in the allocation area for the most
- 24 recent assessment date minus the base assessed value, when
- 25 multiplied by the estimated tax rate of the allocation area, will
- 26 exceed the amount of assessed value needed to provide the
- 27 property taxes necessary to make, when due, principal and
- 28 interest payments on bonds described in subdivision (2) plus
- 29 the amount necessary for other purposes described in
- 30 subdivision (2) and subsection (g).
- 31 (B) Provide a written notice to the county auditor, the
- 32 legislative body of the consolidated city, and the officers who
- 33 are authorized to fix budgets, tax rates, and tax levies under
- 34 IC 6-1.1-17-5 for each of the other taxing units that is wholly
- 35 or partly located within the allocation area. The notice must:
- 36 (i) state the amount, if any, of excess assessed value that the
- 37 commission has determined may be allocated to the
- 38 respective taxing units in the manner prescribed in

1 subdivision (1); or
 2 (ii) state that the commission has determined that there is no
 3 excess assessed value that may be allocated to the respective
 4 taxing units in the manner prescribed in subdivision (1).

5 The county auditor shall allocate to the respective taxing units
 6 the amount, if any, of excess assessed value determined by the
 7 commission. The commission may not authorize an allocation
 8 to the respective taxing units under this subdivision if to do so
 9 would endanger the interests of the holders of bonds described
 10 in subdivision (2).

11 **(C) Obtain the approval of the legislative body of the unit**
 12 **if the amount of excess assessed value determined by the**
 13 **commission is expected to generate more than two hundred**
 14 **percent (200%) of the amount of allocated tax proceeds**
 15 **necessary to carry out the redevelopment or economic**
 16 **development plan as adopted under this chapter. The**
 17 **legislative body of the unit may modify the commission's**
 18 **determination with respect to the amount of excess**
 19 **assessed value that is in excess of two hundred percent**
 20 **(200%) of the amount of allocated tax proceeds necessary**
 21 **to carry out the redevelopment or economic development**
 22 **plan.**

23 (c) For the purpose of allocating taxes levied by or for any taxing
 24 unit or units, the assessed value of taxable property in a territory in the
 25 allocation area that is annexed by any taxing unit after the effective
 26 date of the allocation provision of the resolution is the lesser of:

- 27 (1) the assessed value of the property for the assessment date with
 28 respect to which the allocation and distribution is made; or
 29 (2) the base assessed value.

30 (d) Property tax proceeds allocable to the redevelopment district
 31 under subsection (b)(2) may, subject to subsection (b)(3), be
 32 irrevocably pledged by the redevelopment district for payment as set
 33 forth in subsection (b)(2).

34 (e) Notwithstanding any other law, each assessor shall, upon
 35 petition of the commission, reassess the taxable property situated upon
 36 or in, or added to, the allocation area, effective on the next assessment
 37 date after the petition.

38 (f) Notwithstanding any other law, the assessed value of all taxable

1 property in the allocation area, for purposes of tax limitation, property
2 tax replacement, and formulation of the budget, tax rate, and tax levy
3 for each political subdivision in which the property is located is the
4 lesser of:

- 5 (1) the assessed value of the property as valued without regard to
6 this section; or
- 7 (2) the base assessed value.

8 (g) If any part of the allocation area is located in an enterprise zone
9 created under IC 5-28-15, the unit that designated the allocation area
10 shall create funds as specified in this subsection. A unit that has
11 obligations, bonds, or leases payable from allocated tax proceeds under
12 subsection (b)(2) shall establish an allocation fund for the purposes
13 specified in subsection (b)(2) and a special zone fund. Such a unit
14 shall, until the end of the enterprise zone phase out period, deposit each
15 year in the special zone fund the amount in the allocation fund derived
16 from property tax proceeds in excess of those described in subsection
17 (b)(1) from property located in the enterprise zone that exceeds the
18 amount sufficient for the purposes specified in subsection (b)(2) for the
19 year. A unit that has no obligations, bonds, or leases payable from
20 allocated tax proceeds under subsection (b)(2) shall establish a special
21 zone fund and deposit all the property tax proceeds in excess of those
22 described in subsection (b)(1) in the fund derived from property tax
23 proceeds in excess of those described in subsection (b)(1) from
24 property located in the enterprise zone. The unit that creates the special
25 zone fund shall use the fund, based on the recommendations of the
26 urban enterprise association, for one (1) or more of the following
27 purposes:

28 (1) To pay for programs in job training, job enrichment, and basic
29 skill development designed to benefit residents and employers in
30 the enterprise zone. The programs must reserve at least one-half
31 (1/2) of the enrollment in any session for residents of the
32 enterprise zone.

33 (2) To make loans and grants for the purpose of stimulating
34 business activity in the enterprise zone or providing employment
35 for enterprise zone residents in the enterprise zone. These loans
36 and grants may be made to the following:

37 (A) Businesses operating in the enterprise zone.

38 (B) Businesses that will move their operations to the enterprise

1 zone if such a loan or grant is made.

2 (3) To provide funds to carry out other purposes specified in
3 subsection (b)(2). However, where reference is made in
4 subsection (b)(2) to the allocation area, the reference refers for
5 purposes of payments from the special zone fund only to that part
6 of the allocation area that is also located in the enterprise zone.

7 (h) The state board of accounts and department of local government
8 finance shall make the rules and prescribe the forms and procedures
9 that they consider expedient for the implementation of this chapter.
10 After each general reassessment under IC 6-1.1-4, the department of
11 local government finance shall adjust the base assessed value one (1)
12 time to neutralize any effect of the general reassessment on the
13 property tax proceeds allocated to the redevelopment district under this
14 section. After each annual adjustment under IC 6-1.1-4-4.5, the
15 department of local government finance shall adjust the base assessed
16 value to neutralize any effect of the annual adjustment on the property
17 tax proceeds allocated to the redevelopment district under this section.
18 However, the adjustments under this subsection may not include the
19 effect of property tax abatements under IC 6-1.1-12.1, and these
20 adjustments may not produce less property tax proceeds allocable to
21 the redevelopment district under subsection (b)(2) than would
22 otherwise have been received if the general reassessment or annual
23 adjustment had not occurred. The department of local government
24 finance may prescribe procedures for county and township officials to
25 follow to assist the department in making the adjustments.

26 (i) The allocation deadline referred to in subsection (b) is
27 determined in the following manner:

28 (1) The initial allocation deadline is December 31, 2011.

29 (2) Subject to subdivision (3), the initial allocation deadline and
30 subsequent allocation deadlines are automatically extended in
31 increments of five (5) years, so that allocation deadlines
32 subsequent to the initial allocation deadline fall on December 31,
33 2016, and December 31 of each fifth year thereafter.

34 (3) At least one (1) year before the date of an allocation deadline
35 determined under subdivision (2), the general assembly may enact
36 a law that:

37 (A) terminates the automatic extension of allocation deadlines
38 under subdivision (2); and

1 (B) specifically designates a particular date as the final
2 allocation deadline.

3 SECTION 53. [EFFECTIVE JANUARY 1, 2008
4 (RETROACTIVE)] (a) **IC 6-1.1-10-24, as amended by this act,**
5 **applies to IC 6-1.1-11-4, as amended by this act, as if both**
6 **provisions had been in effect on January 1, 2008.**

7 (b) **This SECTION expires January 1, 2013.**

8 SECTION 54. [EFFECTIVE JANUARY 1, 2008
9 (RETROACTIVE)] (a) **With respect to an assessment date (as**
10 **defined in IC 6-1.1-1-2) occurring after December 31, 2009, and**
11 **before January 1, 2013, the definition of "fraternity or sorority"**
12 **set forth in IC 6-1.1-10-24, as amended by this act, includes a**
13 **limited liability company whose members are predominantly**
14 **fraternities, sororities, or foundations related to fraternities or**
15 **sororities.**

16 (b) **With respect to the March 1, 2010, assessment date, the**
17 **exemption allowed by IC 6-1.1-10-24, as amended by this act,**
18 **applies to tangible property acquired for future use by a fraternity**
19 **or sorority for a use set forth in IC 6-1.1-10-24(b)(2), as amended**
20 **by this act.**

21 (c) **This SECTION expires January 1, 2013.**

22 SECTION 55. [EFFECTIVE JANUARY 1, 2008
23 (RETROACTIVE)] (a) **This SECTION applies to a taxpayer,**
24 **notwithstanding IC 6-1.1-3, IC 6-1.1-11, IC 6-1.1-17, IC 6-1.1-37,**
25 **50 IAC 4.2, 50 IAC 16, or any other statute or administrative rule.**

26 (b) **This section applies to an assessment date (as defined in**
27 **IC 6-1.1-1-2) occurring after December 31, 2005, and before**
28 **January 1, 2010.**

29 (c) **As used in this SECTION, "taxpayer" refers to an Indiana**
30 **nonprofit corporation that owns real and personal property used**
31 **as part of or in connection with a men's cooperative house.**

32 (d) **A taxpayer, after February 13, 2011, but before February**
33 **26, 2011, may file or refile in person or in any other manner**
34 **consistent with IC 6-1.1-36-1.5:**

35 (1) **a Form 136 property tax exemption application, along**
36 **with any supporting documents, schedules, or attachments,**
37 **claiming an exemption from real property taxes or personal**
38 **property taxes, or both under IC 6-1.1-10-16 or**

1 **IC 6-1.1-10-24, as amended by this act, for any assessment**
2 **date described in subsection (b); and**

3 **(2) a personal property tax return, along with any supporting**
4 **documents, schedules, or attachments, relating to any**
5 **personal property under IC 6-1.1-10-16 or IC 6-1.1-10-24, as**
6 **amended by this act, for any assessment date for which an**
7 **exemption is claimed on a Form 136 property tax exemption**
8 **application that is filed under this subsection.**

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

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

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

13 **(f) If the taxpayer demonstrates in the application or by other**
14 **means that the property that is subject to the exemption would**
15 **have qualified for an exemption under IC 6-1.1-10-16 as owned,**
16 **occupied, and used for an educational, religious, or charitable**
17 **purpose or under IC 6-1.1-10-24, as amended by this act, if the**
18 **application had been filed under IC 6-1.1-11 in a timely manner:**

19 **(1) the taxpayer is entitled to the exemptions from real**
20 **property taxes or personal property taxes, or both, as claimed**
21 **on the property tax exemption applications filed or refiled by**
22 **the taxpayer under subsection (d); and**

23 **(2) the taxpayer is not required to pay any property taxes,**
24 **penalties, or interest with respect to the exempt property.**

25 **(g) For its property to be exempt under this SECTION, the**
26 **taxpayer must have received for an assessment date preceding or**
27 **following any assessment date described in subsection (b) an**
28 **exemption or partial exemption from property taxes for property**
29 **identified by the same parcel or key numbers or the same parcel**
30 **and key numbers included on the property tax exemption**
31 **applications filed or refiled by the taxpayer under subsection (d).**

32 **(h) This SECTION expires January 1, 2013.**

33 SECTION 56. [EFFECTIVE JANUARY 1, 2010
34 (RETROACTIVE)] **(a) This SECTION applies to a taxpayer**
35 **notwithstanding IC 6-1.1-11 or any other law or administrative**
36 **rule or provision.**

37 **(b) This SECTION applies to the March 1, 2010, and March 1,**
38 **2011, assessment dates.**

1 (c) As used in this SECTION, "taxpayer" refers to a
2 corporation that:

3 (1) is a medical society with members who are predominantly
4 physicians residing or practicing in the county or municipality
5 where the property described in subsection (d) is located or an
6 adjacent county;

7 (2) is exempt from federal income taxes under Section 501 of
8 the Internal Revenue Code; and

9 (3) filed a timely exemption application from property
10 taxation for eligible property described in subsection (d) for
11 the March 1, 2010, assessment date.

12 (d) As used in this SECTION, "eligible property" means real
13 and personal property owned by the taxpayer that:

14 (1) was granted a full or partial exemption from property
15 taxation for the March 1, 2008, and March 1, 2009,
16 assessment dates, regardless of the parcel or key numbers
17 used to identify the property; and

18 (2) is occupied and predominantly used by the taxpayer or a
19 nonprofit foundation affiliated with the taxpayer for the
20 nonprofit purposes of the taxpayer or a nonprofit foundation
21 affiliated with the taxpayer on an assessment date subject to
22 this SECTION.

23 The term does not include areas or parts of property that are
24 leased to a for-profit entity.

25 (e) A property tax exemption application referred to in
26 subsection (c)(3) is allowed, regardless of the parcel or key
27 numbers used to identify the property. The eligible property is
28 considered tangible property owned, occupied, and used for the
29 educational, scientific, or charitable purposes described in
30 IC 6-1.1-10-16. Taxpayer's property tax exemption application
31 referred to in subsection (c)(3) is considered to have been filed
32 properly for an educational, scientific, or charitable use under
33 IC 6-1.1-10-16. The property tax exemptions allowed by this
34 SECTION shall be applied regardless of whether the taxpayer's
35 exemption application referred to in subsection (c)(3) was granted
36 or denied and regardless of whether or how any denials of the
37 requested exemptions were appealed or otherwise challenged by
38 the taxpayer.

1 **(f) A taxpayer is entitled to a one hundred percent (100%)**
 2 **exemption under IC 6-1.1-10-16 from property taxation for the**
 3 **taxpayer's eligible property and is not required to pay property**
 4 **taxes, penalties, or interest with respect to the eligible property for**
 5 **the assessment dates described in subsection (b).**

6 **(g) The auditor of the county in which the property is located**
 7 **shall apply the exemption allowed by this SECTION based upon**
 8 **the taxpayer's exemption application referred to in subsection**
 9 **(c)(3) and any additional documents or materials provided by the**
 10 **taxpayer. The exemption allowed by this SECTION shall be**
 11 **applied without need of any further ruling or action by the county**
 12 **assessor or the county property tax assessment board of appeals of**
 13 **the county in which the property is located or by the Indiana board**
 14 **of tax review. Any actions by the county assessor or the county**
 15 **property tax assessment board of appeals of the county in which**
 16 **the property is located or by the Indiana board of tax review that**
 17 **are contrary to or inconsistent with the intent of this SECTION are**
 18 **invalid, null, and void.**

19 **(h) This SECTION expires December 31, 2012.**

20 SECTION 57. [EFFECTIVE JANUARY 1, 2008
 21 (RETROACTIVE)] **(a) This SECTION applies to a taxpayer**
 22 **notwithstanding IC 6-1.1-11 or any other law or administrative**
 23 **rule or provision.**

24 **(b) This SECTION applies to an assessment date (as defined in**
 25 **IC 6-1.1-1-2) occurring in 2010 or 2011.**

26 **(c) As used in this SECTION, "taxpayer" refers to an Indiana**
 27 **nonprofit corporation that:**

28 **(1) owns real property used as part of or in connection with a**
 29 **church, worship services, and other religious, educational,**
 30 **charitable, civic, or cultural activities;**

31 **(2) as of the assessment dates referred to in subsection (b),**
 32 **leases or rents part of the real property to another Indiana**
 33 **nonprofit corporation that is exempt from federal income tax**
 34 **under Section 501(c)(3) of the Internal Revenue Code and**
 35 **classified as other than a private foundation under Section**
 36 **509(a)(3) of the Internal Revenue Code, and the leased or**
 37 **rented property is used as a center for the arts, including**
 38 **using the leased or rented property for exhibit space, gallery**

1 events, and subleasing to artists and art support groups; and
2 (3) filed on or by May 17, 2010, an exemption application
3 from property taxation for eligible property described in
4 subsection (d) for the March 1, 2010, assessment date.

5 (d) As used in this SECTION, "eligible property" means real
6 property owned by the taxpayer:

7 (1) that was granted a full or partial exemption from property
8 taxation for an assessment date prior to the assessment dates
9 referred to in subsection (b); and

10 (2) for which a one hundred percent (100%) real property tax
11 exemption for the March 1, 2010, assessment date was denied.

12 (e) A property tax exemption application referred to in
13 subsection (c)(3):

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

15 (2) is considered to have been timely and properly filed for a
16 religious, educational, or charitable use under IC 6-1.1-10-16.

17 The eligible property is considered tangible property owned,
18 occupied, and used for the religious, educational, or charitable
19 purposes described in IC 6-1.1-10-16. The property tax exemption
20 allowed by this SECTION shall be applied regardless of whether
21 the taxpayer's exemption application referred to in subsection
22 (c)(3) was granted or denied in whole or in part and regardless of
23 whether or how any denials of the requested exemption were
24 appealed or otherwise challenged by the taxpayer.

25 (f) A taxpayer is entitled to a one hundred percent (100%)
26 exemption under IC 6-1.1-10-16 from property taxation for the
27 taxpayer's eligible property and is not required to pay property
28 taxes, penalties, or interest with respect to the eligible property for
29 the assessment dates referred to in subsection (b). The exemption
30 allowed by this SECTION shall be applied without the need for any
31 further ruling or action by the county assessor or the county
32 property tax assessment board of appeals of the county in which
33 the property is located or by the Indiana board of tax review. Any
34 actions by the county assessor or the county property tax
35 assessment board of appeals of the county in which the property is
36 located or by the Indiana board of tax review that are contrary to
37 or inconsistent with the intent of this SECTION is invalid, null, and
38 void.

1 **(g) This SECTION expires December 31, 2012.**

2 SECTION 58. [EFFECTIVE UPON PASSAGE] **(a) As used in this**
3 **SECTION, "board" refers to the county property tax assessment**
4 **board of appeals.**

5 **(b) This SECTION applies to an organization that:**

6 **(1) is located in a county containing a consolidated city;**

7 **(2) is dedicated to providing services to the community,**
8 **including direct aid, nutrition assistance, job training and**
9 **counseling, and safe, high-quality after-school activities;**

10 **(3) is not eligible for a property tax exemption under**
11 **IC 6-1.1-10-16 and IC 6-1.1-10-24 for certain parcels of**
12 **property for property taxes first due and payable in 2009,**
13 **2010, and 2011 because the entity failed to timely file an**
14 **application under IC 6-1.1-11-3.5; and**

15 **(4) filed an application under IC 6-1.1-11 for exemption from**
16 **property taxes first due and payable in 2007 on the same**
17 **parcels of property, which exemption was approved by the**
18 **board.**

19 **(c) An organization described in subsection (b) is entitled to an**
20 **exemption from property taxes on the organizations's property for**
21 **property taxes first due and payable in 2009, 2010, and 2011 in the**
22 **same percentage approved by the board with respect to the**
23 **organization's exemption application described in subsection**
24 **(b)(4).**

25 **(d) The county shall return to the organization the title of any**
26 **parcels of the organization's property that have been included in**
27 **a tax sale under IC 6-1.1 and that are entitled to an exemption**
28 **under subsection (c).**

29 **(e) This SECTION expires January 1, 2013.**

30 SECTION 59. [EFFECTIVE UPON PASSAGE] **(a) The**
31 **commission on state tax and financing policy established under**
32 **IC 2-5-3 shall, during the 2011 legislative interim, study issues**
33 **concerning standards for determining when a cooperative housing**
34 **corporation is eligible for a property tax standard deduction or a**
35 **property tax circuit breaker credit.**

36 **(b) Before November 1, 2011, the commission on state tax and**
37 **financing policy shall report its findings and any recommendations**
38 **concerning the study topic described in subsection (a) in a final**

- 1 **report to the legislative council in an electronic format under**
2 **IC 5-14-6.**
- 3 **(c) This SECTION expires January 1, 2012.**
- 4 SECTION 60. [EFFECTIVE UPON PASSAGE] **(a) IC 36-7-14, as**
5 **amended by this act, applies to an obligation entered into or**
6 **incurred by a redevelopment commission after June 30, 2011.**
- 7 **(b) IC 36-7-14-25.1, as amended by this act, applies to bonds for**
8 **which a bond resolution is adopted after June 30, 2011.**
- 9 **(c) IC 36-7-14-25.2, as amended by this act, applies to a lease for**
10 **which a public hearing is held under IC 36-7-14-25.2(c) after June**
11 **30, 2011.**
- 12 **(d) IC 36-7-14-27, as amended by this act, applies to warrants**
13 **issued after June 30, 2011.**
- 14 **(e) This SECTION expires July 1, 2012."**
- 15 Renumber all SECTIONS consecutively.
 (Reference is to HB 1244 as printed February 1, 2011.)

and when so amended that said bill do pass.

Committee Vote: Yeas 12, Nays 0.

Kenley

Chairperson