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# HOUSE BILL No. 1165

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## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 6-1.1.

**Synopsis:** Installment contracts and property tax deductions. Consolidates duplicated provisions setting conditions for granting of deductions for property being sold under an installment contract into a single section. Provides that property subject to an installment contract does not qualify for a property tax deduction unless the installment contract is an enforceable contract. Requires that contracts for the sale of real property that are entered into after May 31, 2013, must specify the total contract price for the sale of the property.

**Effective:** Upon passage.

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January 10, 2013, read first time and referred to Committee on Ways and Means.

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First Regular Session 118th General Assembly (2013)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2012 Regular Session of the General Assembly.

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## HOUSE BILL No. 1165



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

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

1 SECTION 1. IC 6-1.1-1-14.5 IS ADDED TO THE INDIANA  
2 CODE AS A **NEW** SECTION TO READ AS FOLLOWS  
3 [EFFECTIVE UPON PASSAGE]: **Sec. 14.5. (a) "Qualified**  
4 **installment contract"** means, for property taxes first due and  
5 **payable before January 1, 2014, a contract for the purchase of real**  
6 **property, a mobile home, or a manufactured home that:**  
7 **(1) provides that one (1) or more individuals purchasing the**  
8 **real property, mobile home, or manufactured home are to pay**  
9 **property taxes on the real property, mobile home, or**  
10 **manufactured home; and**  
11 **(2) is recorded in the county recorder's office or referenced in**  
12 **a memorandum of the contract that is recorded in the county**  
13 **recorder's office.**  
14 **(b) For property taxes first due and payable after December 31,**  
15 **2013, "qualified installment contract" means a contract that:**  
16 **(1) is for the sale of real property, a mobile home, or a**  
17 **manufactured home; and**



1           **(2) meets the requirements specified under IC 6-1.1-12-39.**

2           SECTION 2. IC 6-1.1-12-1, AS AMENDED BY P.L.81-2010,  
3           SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
4           UPON PASSAGE]: Sec. 1. (a) Each year a person who is a resident of  
5           this state may receive a deduction from the assessed value of:

6           (1) mortgaged real property, an installment loan financed mobile  
7           home that is not assessed as real property, or an installment loan  
8           financed manufactured home that is not assessed as real property,  
9           with the mortgage or installment loan instrument recorded with  
10          the county recorder's office, that the person owns;

11          (2) real property, a mobile home that is not assessed as real  
12          property, or a manufactured home that is not assessed as real  
13          property that the person is buying under a **qualified installment**  
14          contract; ~~with the contract or a memorandum of the contract~~  
15          ~~recorded in the county recorder's office, which provides that the~~  
16          ~~person is to pay the property taxes on the real property, mobile~~  
17          ~~home, or manufactured home;~~ or

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

23          (b) Except as provided in section 40.5 of this chapter, the total  
24          amount of the deduction which the person may receive under this  
25          section for a particular year is:

26          (1) the balance of the mortgage or **qualified installment** contract  
27          indebtedness (including a home equity line of credit) on the  
28          assessment date of that year;

29          (2) one-half (1/2) of the assessed value of the real property,  
30          mobile home, or manufactured home; or

31          (3) three thousand dollars (\$3,000);

32          whichever is least.

33          (c) A person who has sold real property, a mobile home not assessed  
34          as real property, or a manufactured home not assessed as real property  
35          to another person under a **qualified installment** contract ~~which~~  
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 with respect to that real property,  
39          mobile home, or manufactured home.

40          (d) The person must:

41          (1) own the real property, mobile home, or manufactured home;

42          or

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1 (2) be buying the real property, mobile home, or manufactured  
 2 home under a **qualified installment** contract;  
 3 on the date the statement is filed under section 2 of this chapter.

4 SECTION 3. IC 6-1.1-12-2, AS AMENDED BY P.L.81-2010,  
 5 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 6 UPON PASSAGE]: Sec. 2. (a) Except as provided in section 17.8 of  
 7 this chapter and subject to section 45 of this chapter, for a person to  
 8 qualify for the deduction provided by section 1 of this chapter a  
 9 statement must be filed under subsection (b) or (c). Regardless of the  
 10 manner in which a statement is filed, the mortgage, **qualified**  
 11 **installment** contract, or memorandum (including a home equity line of  
 12 credit) must be recorded with the county recorder's office to qualify for  
 13 a deduction under section 1 of this chapter.

14 (b) Subject to subsection (c), to apply for the deduction under  
 15 section 1 of this chapter with respect to real property, the person  
 16 recording the mortgage, home equity line of credit, **qualified**  
 17 **installment** contract, or memorandum of the **qualified installment**  
 18 contract with the county recorder may file a written statement with the  
 19 county recorder containing the information described in subsection  
 20 (e)(1), (e)(2), (e)(3), (e)(4), (e)(6), (e)(7), and (e)(8). The statement  
 21 must be prepared on the form prescribed by the department of local  
 22 government finance and be signed by the property owner or **qualified**  
 23 **installment** contract purchaser under the penalties of perjury. The form  
 24 must have a place for the county recorder to insert the record number  
 25 and page where the mortgage, home equity line of credit, **qualified**  
 26 **installment** contract, or memorandum of the **qualified installment**  
 27 contract is recorded. Upon receipt of the form and the recording of the  
 28 mortgage, home equity line of credit, **qualified installment** contract,  
 29 or memorandum of the **qualified installment** contract, the county  
 30 recorder shall insert on the form the record number and page where the  
 31 mortgage, home equity line of credit, **qualified installment** contract,  
 32 or memorandum of the **qualified installment** contract is recorded and  
 33 forward the completed form to the county auditor. The county recorder  
 34 may not impose a charge for the county recorder's duties under this  
 35 subsection. The statement must be completed and dated in the calendar  
 36 year for which the person wishes to obtain the deduction and filed with  
 37 the county recorder on or before January 5 of the immediately  
 38 succeeding calendar year.

39 (c) With respect to:

- 40 (1) real property as an alternative to a filing under subsection (b);  
 41 or  
 42 (2) a mobile home that is not assessed as real property or a

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1 manufactured home that is not assessed as real property;  
 2 to apply for a deduction under section 1 of this chapter, a person who  
 3 desires to claim the deduction may file a statement in duplicate, on  
 4 forms prescribed by the department of local government finance, with  
 5 the auditor of the county in which the real property, mobile home not  
 6 assessed as real property, or manufactured home not assessed as real  
 7 property is located. With respect to real property, the statement must  
 8 be completed and dated in the calendar year for which the person  
 9 wishes to obtain the deduction and filed with the county auditor on or  
 10 before January 5 of the immediately succeeding calendar year. With  
 11 respect 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. In addition to the  
 17 statement required by this subsection, a **qualified installment** contract  
 18 buyer who desires to claim the deduction must submit a copy of the  
 19 recorded **qualified installment** contract or recorded memorandum of  
 20 the **qualified installment** contract, which must contain a legal  
 21 description sufficient to meet the requirements of IC 6-1.1-5, with the  
 22 first statement that the buyer files under this section with respect to a  
 23 particular parcel of real property.

24 (d) Upon receipt of:

- 25 (1) the statement under subsection (b); or
- 26 (2) the statement under subsection (c) and the recorded **qualified**  
 27 **installment** contract or recorded memorandum of the **qualified**  
 28 **installment** contract;

29 the county auditor shall assign a separate description and identification  
 30 number to the parcel of real property being sold under the **qualified**  
 31 **installment** contract.

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

- 35 (1) The balance of the person's mortgage, home equity line of  
 36 credit, or **qualified installment** contract indebtedness that is  
 37 recorded in the county recorder's office on the assessment date of  
 38 the year for which the deduction is claimed.
- 39 (2) The assessed value of the real property, mobile home, or  
 40 manufactured home.
- 41 (3) The full name and complete residence address of the person  
 42 and of the mortgagee or **qualified installment** contract seller.

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- 1 (4) The name and residence of any assignee or bona fide owner or  
 2 holder of the mortgage, home equity line of credit, or **qualified**  
 3 **installment** contract, if known, and if not known, the person shall  
 4 state that fact.
- 5 (5) The record number and page where the mortgage, **qualified**  
 6 **installment** contract, or memorandum of the **qualified**  
 7 **installment** contract is recorded.
- 8 (6) A brief description of the real property, mobile home, or  
 9 manufactured home which is encumbered by the mortgage or  
 10 home equity line of credit or sold under the **qualified installment**  
 11 contract.
- 12 (7) If the person is not the sole legal or equitable owner of the real  
 13 property, mobile home, or manufactured home, the exact share of  
 14 the person's interest in it.
- 15 (8) The name of any other county in which the person has applied  
 16 for a deduction under this section and the amount of deduction  
 17 claimed in that application.
- 18 (f) The authority for signing a deduction application filed under this  
 19 section may not be delegated by the real property, mobile home, or  
 20 manufactured home owner or **qualified installment** contract buyer to  
 21 any person except upon an executed power of attorney. The power of  
 22 attorney may be contained in the recorded mortgage, **qualified**  
 23 **installment** contract, or memorandum of the **qualified installment**  
 24 contract, or in a separate instrument.
- 25 (g) A closing agent (as defined in section 43(a)(2) of this chapter)  
 26 is not liable for any damages claimed by the property owner or  
 27 **qualified installment** contract purchaser because of:
- 28 (1) the closing agent's failure to provide the written statement  
 29 described in subsection (b);
- 30 (2) the closing agent's failure to file the written statement  
 31 described in subsection (b);
- 32 (3) any omission or inaccuracy in the written statement described  
 33 in subsection (b) that is filed with the county recorder by the  
 34 closing agent; or
- 35 (4) any determination made with respect to a property owner's or  
 36 **qualified installment** contract purchaser's eligibility for the  
 37 deduction under section 1 of this chapter.
- 38 (h) The county recorder may not refuse to record a mortgage,  
 39 **qualified installment** contract, or memorandum because the written  
 40 statement described in subsection (b):
- 41 (1) is not included with the mortgage, home equity line of credit,  
 42 **qualified installment** contract, or memorandum of the **qualified**

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- 1           **installment** contract;
- 2           (2) does not contain the signatures required by subsection (b);
- 3           (3) does not contain the information described in subsection (e);
- 4           or
- 5           (4) is otherwise incomplete or inaccurate.
- 6           (i) The form prescribed by the department of local government
- 7           finance under subsection (b) and the instructions for the form must
- 8           both include a statement:
- 9               (1) that explains that a person is not entitled to a deduction under
- 10              section 1 of this chapter unless the person has a balance on the
- 11              person's mortgage or **qualified installment** contract indebtedness
- 12              that is recorded in the county recorder's office (including any
- 13              home equity line of credit that is recorded in the county recorder's
- 14              office) that is the basis for the deduction; and
- 15              (2) that specifies the penalties for perjury.
- 16           (j) The department of local government finance shall develop a
- 17           notice:
- 18               (1) that must be displayed in a place accessible to the public in
- 19               the office of each county auditor;
- 20               (2) that includes the information described in subsection (i); and
- 21               (3) that explains that the form prescribed by the department of
- 22               local government finance to claim the deduction under section 1
- 23               of this chapter must be signed by the property owner or **qualified**
- 24               **installment** contract purchaser under the penalties of perjury.
- 25           SECTION 4. IC 6-1.1-12-9, AS AMENDED BY P.L.113-2010,
- 26           SECTION 23, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 27           UPON PASSAGE]: Sec. 9. (a) An individual may obtain a deduction
- 28           from the assessed value of the individual's real property, or mobile
- 29           home or manufactured home which is not assessed as real property, if:
- 30               (1) the individual is at least sixty-five (65) years of age on or
- 31               before December 31 of the calendar year preceding the year in
- 32               which the deduction is claimed;
- 33               (2) the combined adjusted gross income (as defined in Section 62
- 34               of the Internal Revenue Code) of:
- 35                   (A) the individual and the individual's spouse; or
- 36                   (B) the individual and all other individuals with whom:
- 37                       (i) the individual shares ownership; or
- 38                       (ii) the individual is purchasing the property under a
- 39                       **qualified installment** contract;
- 40                   as joint tenants or tenants in common;
- 41           for the calendar year preceding the year in which the deduction is
- 42           claimed did not exceed twenty-five thousand dollars (\$25,000);

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- 1 (3) the individual has:
- 2 (A) owned the real property, mobile home, or manufactured
- 3 home for at least one (1) year before claiming the deduction;
- 4 or ~~the individual has~~
- 5 (B) been buying the real property, mobile home, or
- 6 manufactured home under a **qualified installment** contract
- 7 ~~that provides that the individual is to pay the property taxes on~~
- 8 ~~the real property, mobile home, or manufactured home for at~~
- 9 ~~least one (1) year before claiming the deduction; and the~~
- 10 ~~contract or a memorandum of the contract is recorded in the~~
- 11 ~~county recorder's office;~~
- 12 (4) the individual and any individuals covered by subdivision
- 13 (2)(B) reside on the real property, mobile home, or manufactured
- 14 home;
- 15 (5) the assessed value of the real property, mobile home, or
- 16 manufactured home does not exceed one hundred eighty-two
- 17 thousand four hundred thirty dollars (\$182,430);
- 18 (6) the individual receives no other property tax deduction for the
- 19 year in which the deduction is claimed, except the deductions
- 20 provided by sections 1, 37, (for assessment dates after February
- 21 28, 2008) 37.5, and 38 of this chapter; and
- 22 (7) the person:
- 23 (A) owns the real property, mobile home, or manufactured
- 24 home; or
- 25 (B) is buying the real property, mobile home, or manufactured
- 26 home under a **qualified installment** contract;
- 27 on the date the statement required by section 10.1 of this chapter
- 28 is filed.
- 29 (b) Except as provided in subsection ~~(h)~~ (g), in the case of real
- 30 property, an individual's deduction under this section equals the lesser
- 31 of:
- 32 (1) one-half (1/2) of the assessed value of the real property; or
- 33 (2) twelve thousand four hundred eighty dollars (\$12,480).
- 34 (c) Except as provided in subsection ~~(h)~~ (g) and section 40.5 of this
- 35 chapter, in the case of a mobile home that is not assessed as real
- 36 property or a manufactured home which is not assessed as real
- 37 property, an individual's deduction under this section equals the lesser
- 38 of:
- 39 (1) one-half (1/2) of the assessed value of the mobile home or
- 40 manufactured home; or
- 41 (2) twelve thousand four hundred eighty dollars (\$12,480).
- 42 (d) An individual may not be denied the deduction provided under

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1 this section because the individual is absent from the real property,  
 2 mobile home, or manufactured home while in a nursing home or  
 3 hospital.

4 (e) For purposes of this section, if real property, a mobile home, or  
 5 a manufactured home is owned by:

- 6 (1) tenants by the entirety;
- 7 (2) joint tenants; or
- 8 (3) tenants in common;

9 only one (1) deduction may be allowed. However, the age requirement  
 10 is satisfied if any one (1) of the tenants is at least sixty-five (65) years  
 11 of age.

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

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

22 ~~(g) An individual who has sold real property to another person~~  
 23 ~~under a contract that provides that the contract buyer is to pay the~~  
 24 ~~property taxes on the real property may not claim the deduction~~  
 25 ~~provided under this section against that real property.~~

26 ~~(h)~~ (g) In the case of tenants covered by subsection (a)(2)(B), if all  
 27 of the tenants are not at least sixty-five (65) years of age, the deduction  
 28 allowed under this section shall be reduced by an amount equal to the  
 29 deduction multiplied by a fraction. The numerator of the fraction is the  
 30 number of tenants who are not at least sixty-five (65) years of age, and  
 31 the denominator is the total number of tenants.

32 SECTION 5. IC 6-1.1-12-10.1, AS AMENDED BY P.L.144-2008,  
 33 SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 34 UPON PASSAGE]: Sec. 10.1. (a) Except as provided in section 17.8  
 35 of this chapter and subject to section 45 of this chapter, an individual  
 36 who desires to claim the deduction provided by section 9 of this  
 37 chapter must file a sworn statement, on forms prescribed by the  
 38 department of local government finance, with the auditor of the county  
 39 in which the real property, mobile home, or manufactured home is  
 40 located. With respect to real property, the statement must be filed  
 41 during the year for which the individual wishes to obtain the deduction.  
 42 With respect to a mobile home that is not assessed as real property or

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1 a manufactured home that is not assessed as real property, the  
 2 statement must be filed during the twelve (12) months before March 31  
 3 of each year for which the individual wishes to obtain the deduction.  
 4 The statement may be filed in person or by mail. If mailed, the mailing  
 5 must be postmarked on or before the last day for filing.

6 (b) The statement referred to in subsection (a) shall be in affidavit  
 7 form or require verification under penalties of perjury. The statement  
 8 must be filed in duplicate if the applicant owns, or is buying under a  
 9 **qualified installment** contract, real property, a mobile home, or a  
 10 manufactured home subject to assessment in more than one (1) county  
 11 or in more than one (1) taxing district in the same county. The  
 12 statement shall contain:

13 (1) the source and exact amount of gross income received by the  
 14 individual and the individual's spouse during the preceding  
 15 calendar year;

16 (2) the description and assessed value of the real property, mobile  
 17 home, or manufactured home;

18 (3) the individual's full name and complete residence address;

19 (4) the record number and page where the **qualified installment**  
 20 contract or memorandum of the **qualified installment** contract is  
 21 recorded if the individual is buying the real property, mobile  
 22 home, or manufactured home on a **qualified installment** contract;  
 23 and

24 (5) any additional information which the department of local  
 25 government finance may require.

26 (c) In order to substantiate the deduction statement, the applicant  
 27 shall submit for inspection by the county auditor a copy of the  
 28 applicant's and a copy of the applicant's spouse's income tax returns for  
 29 the preceding calendar year. If either was not required to file an income  
 30 tax return, the applicant shall subscribe to that fact in the deduction  
 31 statement.

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

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1 office, and if:

- 2 (1) the individual is blind or the individual has a disability;  
 3 (2) the real property, mobile home, or manufactured home is  
 4 principally used and occupied by the individual as the individual's  
 5 residence;  
 6 (3) the individual's taxable gross income for the calendar year  
 7 preceding the year in which the deduction is claimed did not  
 8 exceed seventeen thousand dollars (\$17,000); and

9 (4) the individual:

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 12 of this chapter is  
 15 filed.

16 (b) For purposes of this section, taxable gross income does not  
 17 include income which is not taxed under the federal income tax laws.

18 (c) For purposes of this section, "blind" has the same meaning as the  
 19 definition contained in IC 12-7-2-21(1).

20 (d) For purposes of this section, "individual with a disability" means  
 21 a person unable to engage in any substantial gainful activity by reason  
 22 of a medically determinable physical or mental impairment which:

23 (1) can be expected to result in death; or

24 (2) has lasted or can be expected to last for a continuous period of  
 25 not less than twelve (12) months.

26 (e) An individual with a disability filing a claim under this section  
 27 shall submit proof of disability in such form and manner as the  
 28 department shall by rule prescribe. Proof that a claimant is eligible to  
 29 receive disability benefits under the federal Social Security Act (42  
 30 U.S.C. 301 et seq.) shall constitute proof of disability for purposes of  
 31 this section.

32 (f) An individual with a disability not covered under the federal  
 33 Social Security Act shall be examined by a physician and the  
 34 individual's status as an individual with a disability determined by  
 35 using the same standards as used by the Social Security Administration.  
 36 The costs of this examination shall be borne by the claimant.

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

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1 home, or manufactured home.  
 2 SECTION 7. IC 6-1.1-12-12, AS AMENDED BY P.L.1-2009,  
 3 SECTION 29, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 4 UPON PASSAGE]: Sec. 12. (a) Except as provided in section 17.8 of  
 5 this chapter and subject to section 45 of this chapter, a person who  
 6 desires to claim the deduction provided in section 11 of this chapter  
 7 must file 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 contract or memorandum of the contract  
 27 is recorded if the individual is buying the real property, mobile home,  
 28 or manufactured home on a contract that provides that the individual  
 29 is to pay property taxes on the real property, mobile home, or  
 30 manufactured home.~~

31 SECTION 8. IC 6-1.1-12-13, AS AMENDED BY P.L.1-2010,  
 32 SECTION 24, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 33 UPON PASSAGE]: Sec. 13. (a) Except as provided in section 40.5 of  
 34 this chapter, an individual may have twenty-four thousand nine  
 35 hundred sixty dollars (\$24,960) deducted from the assessed value of  
 36 the taxable tangible property that the individual owns, or real property,  
 37 a mobile home not assessed as real property, or a manufactured home  
 38 not assessed as real property that the individual is buying under a  
 39 **qualified installment** contract, ~~that provides that the individual is to  
 40 pay property taxes on the real property, mobile home, or manufactured  
 41 home, if the contract or a memorandum of the contract is recorded in  
 42 the county recorder's office and if:~~

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- 1 (1) the individual served in the military or naval forces of the
- 2 United States during any of its wars;
- 3 (2) the individual received an honorable discharge;
- 4 (3) the individual has a disability with a service connected
- 5 disability of ten percent (10%) or more;
- 6 (4) the individual's disability is evidenced by:
- 7 (A) a pension certificate, an award of compensation, or a
- 8 disability compensation check issued by the United States
- 9 Department of Veterans Affairs; or
- 10 (B) a certificate of eligibility issued to the individual by the
- 11 Indiana department of veterans' affairs after the Indiana
- 12 department of veterans' affairs has determined that the
- 13 individual's disability qualifies the individual to receive a
- 14 deduction under this section; and
- 15 (5) the individual:
- 16 (A) owns the real property, mobile home, or manufactured
- 17 home; or
- 18 (B) is buying the real property, mobile home, or manufactured
- 19 home under a **qualified installment** contract;
- 20 on the date the statement required by section 15 of this chapter is
- 21 filed.
- 22 (b) The surviving spouse of an individual may receive the deduction
- 23 provided by this section if the individual would qualify for the
- 24 deduction if the individual were alive.
- 25 (c) One who receives the deduction provided by this section may not
- 26 receive the deduction provided by section 16 of this chapter. However,
- 27 the individual may receive any other property tax deduction which the
- 28 individual is entitled to by law.
- 29 (d) ~~An individual who has sold real property; a mobile home not~~
- 30 ~~assessed as real property; or a manufactured home not assessed as real~~
- 31 ~~property to another person under a contract that provides that the~~
- 32 ~~contract buyer is to pay the property taxes on the real property; mobile~~
- 33 ~~home; or manufactured home may not claim the deduction provided~~
- 34 ~~under this section against that real property; mobile home; or~~
- 35 ~~manufactured home.~~
- 36 SECTION 9. IC 6-1.1-12-14, AS AMENDED BY P.L.1-2009,
- 37 SECTION 30, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 38 UPON PASSAGE]: Sec. 14. (a) Except as provided in subsection (c)
- 39 and except as provided in section 40.5 of this chapter, an individual
- 40 may have the sum of twelve thousand four hundred eighty dollars
- 41 (\$12,480) deducted from the assessed value of the tangible property
- 42 that the individual owns (or the real property, mobile home not

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1 assessed as real property, or manufactured home not assessed as real  
 2 property that the individual is buying under a **qualified installment**  
 3 contract), that provides that the individual is to pay property taxes on  
 4 the real property, mobile home, or manufactured home if the contract  
 5 or a memorandum of the contract is recorded in the county recorder's  
 6 office) if:

7 (1) the individual served in the military or naval forces of the  
 8 United States for at least ninety (90) days;

9 (2) the individual received an honorable discharge;

10 (3) the individual either:

11 (A) has a total disability; or

12 (B) is at least sixty-two (62) years old and has a disability of at  
 13 least ten percent (10%);

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

15 (A) a pension certificate or an award of compensation issued  
 16 by the United States Department of Veterans Affairs; or

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

22 (5) the individual:

23 (A) owns the real property, mobile home, or manufactured  
 24 home; or

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

27 on the date the statement required by section 15 of this chapter is  
 28 filed.

29 (b) Except as provided in subsection (c), the surviving spouse of an  
 30 individual may receive the deduction provided by this section if the  
 31 individual would qualify for the deduction if the individual were alive.

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

36 (d) ~~An individual who has sold real property, a mobile home not~~  
 37 ~~assessed as real property, or a manufactured home not assessed as real~~  
 38 ~~property to another person under a contract that provides that the~~  
 39 ~~contract buyer is to pay the property taxes on the real property, mobile~~  
 40 ~~home, or manufactured home may not claim the deduction provided~~  
 41 ~~under this section against that real property, mobile home, or~~  
 42 ~~manufactured home.~~

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

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

- 19 (1) a pension certificate, an award of compensation, or a disability  
 20 compensation check issued by the United States Department of  
 21 Veterans Affairs if the individual claims the deduction provided  
 22 by section 13 of this chapter;
- 23 (2) a pension certificate or an award of compensation issued by  
 24 the United States Department of Veterans Affairs if the individual  
 25 claims the deduction provided by section 14 of this chapter; or
- 26 (3) the appropriate certificate of eligibility issued to the individual  
 27 by the Indiana department of veterans' affairs if the individual  
 28 claims the deduction provided by section 13 or 14 of this chapter.

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

31 ~~(d) If the individual claiming a deduction under section 13 or 14 of~~  
 32 ~~this chapter is buying real property, a mobile home not assessed as real~~  
 33 ~~property, or a manufactured home not assessed as real property under~~  
 34 ~~a contract that provides that the individual is to pay property taxes for~~  
 35 ~~the real estate, mobile home, or manufactured home, the statement~~  
 36 ~~required by this section must contain the record number and page~~  
 37 ~~where the contract or memorandum of the contract is recorded.~~

38 SECTION 11. IC 6-1.1-12-16, AS AMENDED BY P.L.1-2009,  
 39 SECTION 31, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 40 UPON PASSAGE]: Sec. 16. (a) Except as provided in section 40.5 of  
 41 this chapter, a surviving spouse may have the sum of eighteen thousand  
 42 seven hundred twenty dollars (\$18,720) deducted from the assessed

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1 value of his or her tangible property, or real property, mobile home not  
2 assessed as real property, or manufactured home not assessed as real  
3 property that the surviving spouse is buying under a **qualified**  
4 **installment** contract, ~~that provides that the surviving spouse is to pay~~  
5 ~~property taxes on the real property, mobile home, or manufactured~~  
6 ~~home, if the contract or a memorandum of the contract is recorded in~~  
7 ~~the county recorder's office, and if:~~

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

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

11 (3) the surviving spouse:

12 (A) owns the real property, mobile home, or manufactured  
13 home; or

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

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

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

22 (c) ~~An individual who has sold real property, a mobile home not~~  
23 ~~assessed as real property, or a manufactured home not assessed as real~~  
24 ~~property to another person under a contract that provides that the~~  
25 ~~contract buyer is to pay the property taxes on the real property, mobile~~  
26 ~~home, or manufactured home may not claim the deduction provided~~  
27 ~~under this section against that real property, mobile home, or~~  
28 ~~manufactured home.~~

29 SECTION 12. IC 6-1.1-12-17, AS AMENDED BY P.L.144-2008,  
30 SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
31 UPON PASSAGE]: Sec. 17. Except as provided in section 17.8 of this  
32 chapter and subject to section 45 of this chapter, a surviving spouse  
33 who desires to claim the deduction provided by section 16 of this  
34 chapter must file a statement with the auditor of the county in which  
35 the surviving spouse resides. With respect to real property, the  
36 statement must be filed during the year for which the surviving spouse  
37 wishes to obtain the deduction. With respect to a mobile home that is  
38 not assessed as real property or a manufactured home that is not  
39 assessed as real property, the statement must be filed during the twelve  
40 (12) months before March 31 of each year for which the individual  
41 wishes to obtain the deduction. The statement may be filed in person  
42 or by mail. If mailed, the mailing must be postmarked on or before the

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- 1 last day for filing. The statement shall contain:
- 2 (1) a sworn statement that the surviving spouse is entitled to the
- 3 deduction; and
- 4 (2) the record number and page where the **qualified installment**
- 5 contract or memorandum of the **qualified installment** contract is
- 6 recorded. ~~if the individual is buying the real property on a~~
- 7 ~~contract that provides that the individual is to pay property taxes~~
- 8 ~~on the real property.~~

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

14 SECTION 13. IC 6-1.1-12-17.4, AS AMENDED BY P.L.1-2009,  
 15 SECTION 32, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 16 UPON PASSAGE]: Sec. 17.4. (a) Except as provided in section 40.5  
 17 of this chapter, a World War I veteran who is a resident of Indiana is  
 18 entitled to have the sum of eighteen thousand seven hundred twenty  
 19 dollars (\$18,720) deducted from the assessed valuation of the real  
 20 property (including a mobile home that is assessed as real property),  
 21 mobile home that is not assessed as real property, or manufactured  
 22 home that is not assessed as real property the veteran owns or is buying  
 23 under a **qualified installment** contract, ~~that requires the veteran to pay~~  
 24 ~~property taxes on the real property, if the contract or a memorandum of~~  
 25 ~~the contract is recorded in the county recorder's office, if:~~

- 26 (1) the real property, mobile home, or manufactured home is the
- 27 veteran's principal residence;
- 28 (2) the assessed valuation of the real property, mobile home, or
- 29 manufactured home does not exceed two hundred six thousand
- 30 five hundred dollars (\$206,500);
- 31 (3) the veteran owns the real property, mobile home, or
- 32 manufactured home for at least one (1) year before claiming the
- 33 deduction; and
- 34 (4) the veteran:
  - 35 (A) owns the real property, mobile home, or manufactured
  - 36 home; or
  - 37 (B) is buying the real property, mobile home, or manufactured
  - 38 home under a **qualified installment** contract;
  - 39 on the date the statement required by section 17.5 of this chapter
  - 40 is filed.

41 (b) An individual may not be denied the deduction provided by this  
 42 section because the individual is absent from the individual's principal

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1 residence while in a nursing home or hospital.

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

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

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

30 (b) The statement required under this section shall be in affidavit  
31 form or require verification under penalties of perjury. The statement  
32 shall be filed in duplicate if the veteran has, or is buying under a  
33 **qualified installment** contract, real property in more than one (1)  
34 county or in more than one (1) taxing district in the same county. The  
35 statement shall contain:

- 36 (1) a description and the assessed value of the real property,  
37 mobile home, or manufactured home;  
38 (2) the veteran's full name and complete residence address;  
39 (3) the record number and page where the **qualified installment**  
40 contract or memorandum of the **qualified installment** contract is  
41 recorded; ~~if the individual is buying the real property, mobile  
42 home, or manufactured home on a contract that provides that the~~

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1 individual is to pay property taxes on the real property, mobile  
 2 home, or manufactured home; and  
 3 (4) any additional information which the department of local  
 4 government finance may require.

5 SECTION 15. IC 6-1.1-12-17.8, AS AMENDED BY  
 6 P.L.182-2009(ss), SECTION 109, IS AMENDED TO READ AS  
 7 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 17.8. (a) An  
 8 individual who receives a deduction provided under section 1, 9, 11,  
 9 13, 14, 16, 17.4, or 37 of this chapter in a particular year and who  
 10 remains eligible for the deduction in the following year is not required  
 11 to file a statement to apply for the deduction in the following year.  
 12 However, for purposes of a deduction under section 37 of this chapter,  
 13 the county auditor may, in the county auditor's discretion, terminate the  
 14 deduction for assessment dates after January 15, 2012, if the individual  
 15 does not comply with the requirement in IC 6-1.1-22-8.1(b)(9), as  
 16 determined by the county auditor, before January 1, 2013. Before the  
 17 county auditor terminates the deduction because the taxpayer claiming  
 18 the deduction did not comply with the requirement in  
 19 IC 6-1.1-22-8.1(b)(9) before January 1, 2013, the county auditor shall  
 20 mail notice of the proposed termination of the deduction to:

- 21 (1) the last known address of each person liable for any property  
 22 taxes or special assessment, as shown on the tax duplicate or  
 23 special assessment records; or
- 24 (2) the last known address of the most recent owner shown in the  
 25 transfer book.

26 (b) An individual who receives a deduction provided under section  
 27 1, 9, 11, 13, 14, 16, or 17.4 of this chapter in a particular year and who  
 28 becomes ineligible for the deduction in the following year shall notify  
 29 the auditor of the county in which the real property, mobile home, or  
 30 manufactured home for which the individual claims the deduction is  
 31 located of the individual's ineligibility in the year in which the  
 32 individual becomes ineligible. An individual who becomes ineligible  
 33 for a deduction under section 37 of this chapter shall notify the county  
 34 auditor of the county in which the property is located in conformity  
 35 with section 37 of this chapter.

36 (c) The auditor of each county shall, in a particular year, apply a  
 37 deduction provided under section 1, 9, 11, 13, 14, 16, 17.4, or 37 of this  
 38 chapter to each individual who received the deduction in the preceding  
 39 year unless the auditor determines that the individual is no longer  
 40 eligible for the deduction.

41 (d) An individual who receives a deduction provided under section  
 42 1, 9, 11, 13, 14, 16, 17.4, or 37 of this chapter for property that is

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1 jointly held with another owner in a particular year and remains eligible  
 2 for the deduction in the following year is not required to file a  
 3 statement to reapply for the deduction following the removal of the  
 4 joint owner if:

- 5 (1) the individual is the sole owner of the property following the  
 6 death of the individual's spouse;
- 7 (2) the individual is the sole owner of the property following the  
 8 death of a joint owner who was not the individual's spouse; or
- 9 (3) the individual is awarded sole ownership of the property in a  
 10 divorce decree.

11 However, for purposes of a deduction under section 37 of this chapter,  
 12 if the removal of the joint owner occurs before the date that a notice  
 13 described in IC 6-1.1-22-8.1(b)(9) is sent, the county auditor may, in  
 14 the county auditor's discretion, terminate the deduction for assessment  
 15 dates after January 15, 2012, if the individual does not comply with the  
 16 requirement in IC 6-1.1-22-8.1(b)(9), as determined by the county  
 17 auditor, before January 1, 2013. Before the county auditor terminates  
 18 the deduction because the taxpayer claiming the deduction did not  
 19 comply with the requirement in IC 6-1.1-22-8.1(b)(9) before January  
 20 1, 2013, the county auditor shall mail notice of the proposed  
 21 termination of the deduction to the last known address of each person  
 22 liable for any property taxes or special assessment, as shown on the tax  
 23 duplicate or special assessment records or the last known address of the  
 24 most recent owner shown in the transfer book.

25 (e) A trust entitled to a deduction under section 9, 11, 13, 14, 16,  
 26 17.4, or 37 of this chapter for real property owned by the trust and  
 27 occupied by an individual in accordance with section 17.9 of this  
 28 chapter is not required to file a statement to apply for the deduction, if:

- 29 (1) the individual who occupies the real property receives a  
 30 deduction provided under section 9, 11, 13, 14, 16, 17.4, or 37 of  
 31 this chapter in a particular year; and
- 32 (2) the trust remains eligible for the deduction in the following  
 33 year.

34 However, for purposes of a deduction under section 37 of this chapter,  
 35 the individuals that qualify the trust for a deduction must comply with  
 36 the requirement in IC 6-1.1-22-8.1(b)(9) before January 1, 2013.

37 (f) A cooperative housing corporation (as defined in 26 U.S.C. 216)  
 38 that is entitled to a deduction under section 37 of this chapter in the  
 39 immediately preceding calendar year for a homestead (as defined in  
 40 section 37 of this chapter) is not required to file a statement to apply for  
 41 the deduction for the current calendar year if the cooperative housing  
 42 corporation remains eligible for the deduction for the current calendar

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1 year. However, the county auditor may, in the county auditor's  
 2 discretion, terminate the deduction for assessment dates after January  
 3 15, 2012, if the individual does not comply with the requirement in  
 4 IC 6-1.1-22-8.1(b)(9), as determined by the county auditor, before  
 5 January 1, 2013. Before the county auditor terminates a deduction  
 6 because the taxpayer claiming the deduction did not comply with the  
 7 requirement in IC 6-1.1-22-8.1(b)(9) before January 1, 2013, the  
 8 county auditor shall mail notice of the proposed termination of the  
 9 deduction to:

10 (1) the last known address of each person liable for any property  
 11 taxes or special assessment, as shown on the tax duplicate or  
 12 special assessment records; or

13 (2) the last known address of the most recent owner shown in the  
 14 transfer book.

15 (g) An individual who:

16 (1) was eligible for a homestead credit under IC 6-1.1-20.9  
 17 (repealed) for property taxes imposed for the March 1, 2007, or  
 18 January 15, 2008, assessment date; or

19 (2) would have been eligible for a homestead credit under  
 20 IC 6-1.1-20.9 (repealed) for property taxes imposed for the March  
 21 1, 2008, or January 15, 2009, assessment date if IC 6-1.1-20.9 had  
 22 not been repealed;

23 is not required to file a statement to apply for a deduction under section  
 24 37 of this chapter if the individual remains eligible for the deduction in  
 25 the current year. An individual who filed for a homestead credit under  
 26 IC 6-1.1-20.9 (repealed) for an assessment date after March 1, 2007 (if  
 27 the property is real property), or after January 1, 2008 (if the property  
 28 is personal property), shall be treated as an individual who has filed for  
 29 a deduction under section 37 of this chapter. However, the county  
 30 auditor may, in the county auditor's discretion, terminate the deduction  
 31 for assessment dates after January 15, 2012, if the individual does not  
 32 comply with the requirement in IC 6-1.1-22-8.1(b)(9), as determined  
 33 by the county auditor, before January 1, 2013. Before the county  
 34 auditor terminates the deduction because the taxpayer claiming the  
 35 deduction did not comply with the requirement in IC 6-1.1-22-8.1(b)(9)  
 36 before January 1, 2013, the county auditor shall mail notice of the  
 37 proposed termination of the deduction to the last known address of  
 38 each person liable for any property taxes or special assessment, as  
 39 shown on the tax duplicate or special assessment records, or to the last  
 40 known address of the most recent owner shown in the transfer book.

41 (h) If a county auditor terminates a deduction because the taxpayer  
 42 claiming the deduction did not comply with the requirement in

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1 IC 6-1.1-22-8.1(b)(9) before January 1, 2013, the county auditor shall  
 2 reinstate the deduction if the taxpayer provides proof that the taxpayer  
 3 is eligible for the deduction and is not claiming the deduction for any  
 4 other property.

5 (i) A taxpayer **owning property** described in section ~~37(k)~~ **37(j)** of  
 6 this chapter is not required to file a statement to apply for the deduction  
 7 provided by section 37 of this chapter for a calendar year beginning  
 8 after December 31, 2008, if the property owned by the taxpayer  
 9 remains eligible for the deduction for that calendar year. However, the  
 10 county auditor may terminate the deduction for assessment dates after  
 11 January 15, 2012, if the individual residing on the property owned by  
 12 the taxpayer does not comply with the requirement in  
 13 IC 6-1.1-22-8.1(b)(9), as determined by the county auditor, before  
 14 January 1, 2013. Before the county auditor terminates a deduction  
 15 because the individual residing on the property did not comply with the  
 16 requirement in IC 6-1.1-22-8.1(b)(9) before January 1, 2013, the  
 17 county auditor shall mail notice of the proposed termination of the  
 18 deduction to:

- 19 (1) the last known address of each person liable for any property  
 20 taxes or special assessment, as shown on the tax duplicate or  
 21 special assessment records; or  
 22 (2) the last known address of the most recent owner shown in the  
 23 transfer book.

24 SECTION 16. IC 6-1.1-12-18, AS AMENDED BY P.L.144-2008,  
 25 SECTION 25, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 26 UPON PASSAGE]: Sec. 18. (a) If the assessed value of residential real  
 27 property described in subsection (d) is increased because it has been  
 28 rehabilitated, the owner may have deducted from the assessed value of  
 29 the property an amount not to exceed the lesser of:

- 30 (1) the total increase in assessed value resulting from the  
 31 rehabilitation; or  
 32 (2) eighteen thousand seven hundred twenty dollars (\$18,720) per  
 33 rehabilitated dwelling unit.

34 The owner is entitled to this deduction annually for a five (5) year  
 35 period.

36 (b) For purposes of this section, the term "rehabilitation" means  
 37 significant repairs, replacements, or improvements to an existing  
 38 structure which are intended to increase the livability, utility, safety, or  
 39 value of the property under rules adopted by the department of local  
 40 government finance.

41 (c) For the purposes of this section, the term "owner" or "property  
 42 owner" includes any person who has the legal obligation, or has

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1 otherwise assumed the obligation, to pay the real property taxes on the  
2 rehabilitated property.

3 (d) The deduction provided by this section applies only:

4 (1) for the rehabilitation of residential real property which is  
5 located within this state and which is described in one (1) of the  
6 following classifications:

7 (A) A single family dwelling if before rehabilitation the  
8 assessed value (excluding any exemptions or deductions) of  
9 the improvements does not exceed thirty-seven thousand four  
10 hundred forty dollars (\$37,440).

11 (B) A two (2) family dwelling if before rehabilitation the  
12 assessed value (excluding exemptions or deductions) of the  
13 improvements does not exceed forty-nine thousand nine  
14 hundred twenty dollars (\$49,920).

15 (C) A dwelling with more than two (2) family units if before  
16 rehabilitation the assessed value (excluding any exemptions or  
17 deductions) of the improvements does not exceed eighteen  
18 thousand seven hundred twenty dollars (\$18,720) per dwelling  
19 unit; and

20 (2) if the property owner:

21 (A) owns the residential real property; or

22 (B) is buying the residential real property under a **qualified**  
23 **installment** contract;

24 on the assessment date of the year in which an application must  
25 be filed under section 20 of this chapter.

26 SECTION 17. IC 6-1.1-12-22, AS AMENDED BY P.L.144-2008,  
27 SECTION 27, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
28 UPON PASSAGE]: Sec. 22. (a) If the assessed value of property is  
29 increased because it has been rehabilitated and the owner has paid at  
30 least ten thousand dollars (\$10,000) for the rehabilitation, the owner is  
31 entitled to have deducted from the assessed value of the property an  
32 amount equal to fifty percent (50%) of the increase in assessed value  
33 resulting from the rehabilitation. The owner is entitled to this deduction  
34 annually for a five (5) year period. However, the maximum deduction  
35 which a property owner may receive under this section for a particular  
36 year is:

37 (1) one hundred twenty-four thousand eight hundred dollars  
38 (\$124,800) for a single family dwelling unit; or

39 (2) three hundred thousand dollars (\$300,000) for any other type  
40 of property.

41 (b) For purposes of this section, the term "property" means a  
42 building or structure which was erected at least fifty (50) years before

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1 the date of application for the deduction provided by this section. The  
2 term "property" does not include land.

3 (c) For purposes of this section, the term "rehabilitation" means  
4 significant repairs, replacements, or improvements to an existing  
5 structure that are intended to increase the livability, utility, safety, or  
6 value of the property under rules adopted by the department of local  
7 government finance.

8 (d) The deduction provided by this section applies only if the  
9 property owner:

10 (1) owns the property; or

11 (2) is buying the property under a **qualified installment** contract;  
12 on the assessment date of the year in which an application must be filed  
13 under section 24 of this chapter.

14 SECTION 18. IC 6-1.1-12-27.1, AS AMENDED BY P.L. 137-2012,  
15 SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
16 UPON PASSAGE]: Sec. 27.1. Except as provided in sections 36 and  
17 44 of this chapter and subject to section 45 of this chapter, a person  
18 who desires to claim the deduction provided by section 26 or 26.1 of  
19 this chapter must file a certified statement in duplicate, on forms  
20 prescribed by the department of local government finance, with the  
21 auditor of the county in which the real property, mobile home,  
22 manufactured home, or solar power device is subject to assessment.  
23 With respect to real property or a solar power device that is assessed as  
24 distributable property under IC 6-1.1-8 or as personal property, the  
25 person must file the statement during the year for which the person  
26 desires to obtain the deduction. Except as provided in sections 36 and  
27 44 of this chapter and subject to section 45 of this chapter, with respect  
28 to a mobile home which is not assessed as real property, the person  
29 must file the statement during the twelve (12) months before March 31  
30 of each year for which the person desires to obtain the deduction. The  
31 person must:

32 (1) own the real property, mobile home, or manufactured home or  
33 own the solar power device;

34 (2) be buying the real property, mobile home, manufactured  
35 home, or solar power device under a **qualified installment**  
36 contract; or

37 (3) be leasing the real property from the real property owner and  
38 be subject to assessment and property taxation with respect to the  
39 solar power device;

40 on the date the statement is filed under this section. The statement may  
41 be filed in person or by mail. If mailed, the mailing must be postmarked  
42 on or before the last day for filing. On verification of the statement by

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1 the assessor of the township in which the real property, mobile home,  
 2 manufactured home, or solar power device is subject to assessment, or  
 3 the county assessor if there is no township assessor for the township,  
 4 the county auditor shall allow the deduction.

5 SECTION 19. IC 6-1.1-12-30, AS AMENDED BY P.L.1-2009,  
 6 SECTION 36, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 7 UPON PASSAGE]: Sec. 30. Except as provided in sections 36 and 44  
 8 of this chapter and subject to section 45 of this chapter, a person who  
 9 desires to claim the deduction provided by section 29 of this chapter  
 10 must file a certified statement in duplicate, on forms prescribed by the  
 11 department of local government finance, with the auditor of the county  
 12 in which the real property or mobile home is subject to assessment.  
 13 With respect to real property, the person must file the statement during  
 14 the year for which the person desires to obtain the deduction. With  
 15 respect to a mobile home which is not assessed as real property, the  
 16 person must file the statement during the twelve (12) months before  
 17 March 31 of each year for which the person desires to obtain the  
 18 deduction. The person must:

19 (1) own the real property, mobile home, or manufactured home;

20 or

21 (2) be buying the real property, mobile home, or manufactured  
 22 home under a **qualified installment** contract;

23 on the date the statement is filed under this section. On verification of  
 24 the statement by the assessor of the township in which the real property  
 25 or mobile home is subject to assessment, or the county assessor if there  
 26 is no township assessor for the township, the county auditor shall allow  
 27 the deduction.

28 SECTION 20. IC 6-1.1-12-31, AS AMENDED BY P.L.144-2008,  
 29 SECTION 31, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 30 UPON PASSAGE]: Sec. 31. (a) For purposes of this section, "coal  
 31 conversion system" means tangible property directly used to convert  
 32 coal into a gaseous or liquid fuel or char. This definition includes coal  
 33 liquification, gasification, pyrolysis, and a fluid bed combustion system  
 34 designed for pollution control.

35 (b) For each calendar year which begins after December 31, 1979,  
 36 and before January 1, 1988, the owner of a coal conversion system  
 37 which is used to process coal is entitled to a deduction from the  
 38 assessed value of the system. The amount of the deduction for a  
 39 particular calendar year equals the product of:

40 (1) ninety-five percent (95%) of the assessed value of the system;  
 41 multiplied by

42 (2) a fraction.

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1 The numerator of the fraction is the amount of Indiana coal converted  
 2 by the system during the immediately preceding calendar year and the  
 3 denominator of the fraction is the total amount of coal converted by the  
 4 system during the immediately preceding calendar year.

5 (c) The deduction provided by this section applies only if the  
 6 property owner:

7 (1) owns the property; or

8 (2) is buying the property under a **qualified installment** contract;  
 9 on the assessment date for which the deduction applies.

10 SECTION 21. IC 6-1.1-12-33, AS AMENDED BY P.L.144-2008,  
 11 SECTION 32, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 12 UPON PASSAGE]: Sec. 33. (a) For purposes of this section  
 13 "hydroelectric power device" means a device which is installed after  
 14 December 31, 1981, and is designed to utilize the kinetic power of  
 15 moving water to provide mechanical energy or to produce electricity.

16 (b) The owner of real property, or a mobile home that is not assessed  
 17 as real property, that is equipped with a hydroelectric power device is  
 18 annually entitled to a property tax deduction. The amount of the  
 19 deduction equals the remainder of:

20 (1) the assessed value of the real property or mobile home with  
 21 the hydroelectric power device; minus

22 (2) the assessed value of the real property or mobile home without  
 23 the hydroelectric power device.

24 (c) The deduction provided by this section applies only if the  
 25 property owner:

26 (1) owns the real property or mobile home; or

27 (2) is buying the real property or mobile home under a **qualified**  
 28 **installment** contract;

29 on the date the statement is filed under section 35.5 of this chapter.

30 SECTION 22. IC 6-1.1-12-34, AS AMENDED BY P.L.144-2008,  
 31 SECTION 33, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 32 UPON PASSAGE]: Sec. 34. (a) For purposes of this section,  
 33 "geothermal energy heating or cooling device" means a device that is  
 34 installed after December 31, 1981, and is designed to utilize the natural  
 35 heat from the earth to provide hot water, produce electricity, or  
 36 generate heating or cooling.

37 (b) The owner of real property, or a mobile home that is not assessed  
 38 as real property, that is equipped with a geothermal energy heating or  
 39 cooling device is annually entitled to a property tax deduction. The  
 40 amount of the deduction equals the remainder of:

41 (1) the assessed value of the real property or mobile home with  
 42 the geothermal heating or cooling device; minus

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1 (2) the assessed value of the real property or mobile home without  
 2 the geothermal heating or cooling device.  
 3 (c) The deduction provided by this section applies only if the  
 4 property owner:  
 5 (1) owns the real property or mobile home; or  
 6 (2) is buying the real property or mobile home under a **qualified**  
 7 **installment** contract;  
 8 on the date the statement is filed under section 35.5 of this chapter.  
 9 SECTION 23. IC 6-1.1-12-34.5, AS AMENDED BY P.L.144-2008,  
 10 SECTION 34, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 11 UPON PASSAGE]: Sec. 34.5. (a) As used in this section, "coal  
 12 combustion product" has the meaning set forth in IC 6-1.1-44-1.  
 13 (b) As used in this section, "qualified building" means a building  
 14 designed and constructed to systematically use qualified materials  
 15 throughout the building.  
 16 (c) For purposes of this section, building materials are "qualified  
 17 materials" if at least sixty percent (60%) of the materials' dry weight  
 18 consists of coal combustion products.  
 19 (d) The owner of a qualified building, as determined by the center  
 20 for coal technology research, is entitled to a property tax deduction for  
 21 not more than three (3) years. The amount of the deduction equals the  
 22 product of:  
 23 (1) the assessed value of the qualified building; multiplied by  
 24 (2) five percent (5%).  
 25 (e) The deduction provided by this section applies only if the  
 26 building owner:  
 27 (1) owns the building; or  
 28 (2) is buying the building under a **qualified installment** contract;  
 29 on the assessment date for which the deduction applies.  
 30 SECTION 24. IC 6-1.1-12-37, AS AMENDED BY P.L.137-2012,  
 31 SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 32 UPON PASSAGE]: Sec. 37. (a) The following definitions apply  
 33 throughout this section:  
 34 (1) "Dwelling" means any of the following:  
 35 (A) Residential real property improvements that an individual  
 36 uses as the individual's residence, including a house or garage.  
 37 (B) A mobile home that is not assessed as real property that an  
 38 individual uses as the individual's residence.  
 39 (C) A manufactured home that is not assessed as real property  
 40 that an individual uses as the individual's residence.  
 41 (2) "Homestead" means an individual's principal place of  
 42 residence:

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- 1 (A) that is located in Indiana;  
 2 (B) that:  
 3 (i) the individual owns;  
 4 (ii) the individual is buying under a **qualified installment**  
 5 contract; ~~recorded in the county recorder's office; that~~  
 6 ~~provides that the individual is to pay the property taxes on~~  
 7 ~~the residence;~~  
 8 (iii) the individual is entitled to occupy as a  
 9 tenant-stockholder (as defined in 26 U.S.C. 216) of a  
 10 cooperative housing corporation (as defined in 26 U.S.C.  
 11 216); or  
 12 (iv) is a residence described in section 17.9 of this chapter  
 13 that is owned by a trust if the individual is an individual  
 14 described in section 17.9 of this chapter; and  
 15 (C) that consists of a dwelling and the real estate, not  
 16 exceeding one (1) acre, that immediately surrounds that  
 17 dwelling.  
 18 Except as provided in subsection ~~(k)~~; ~~the term (j), "homestead"~~  
 19 does not include property owned by a corporation, partnership,  
 20 limited liability company, or other entity not described in this  
 21 subdivision.  
 22 (b) Each year a homestead is eligible for a standard deduction from  
 23 the assessed value of the homestead for an assessment date. The  
 24 deduction provided by this section applies to property taxes first due  
 25 and payable for an assessment date only if an individual has an interest  
 26 in the homestead described in subsection (a)(2)(B) on:  
 27 (1) the assessment date; or  
 28 (2) any date in the same year after an assessment date that a  
 29 statement is filed under subsection ~~(e)~~ **(d)** or section 44 of this  
 30 chapter, if the property consists of real property.  
 31 Subject to subsection (c), the auditor of the county shall record and  
 32 make the deduction for the individual or entity qualifying for the  
 33 deduction.  
 34 (c) Except as provided in section 40.5 of this chapter, the total  
 35 amount of the deduction that a person may receive under this section  
 36 for a particular year is the lesser of:  
 37 (1) sixty percent (60%) of the assessed value of the real property,  
 38 mobile home not assessed as real property, or manufactured home  
 39 not assessed as real property; or  
 40 (2) forty-five thousand dollars (\$45,000).  
 41 ~~(d) A person who has sold real property; a mobile home not assessed~~  
 42 ~~as real property; or a manufactured home not assessed as real property~~

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1 to another person under a contract that provides that the contract buyer  
 2 is to pay the property taxes on the real property; mobile home; or  
 3 manufactured home may not claim the deduction provided under this  
 4 section with respect to that real property; mobile home; or  
 5 manufactured home:

6 (e) (d) Except as provided in sections 17.8 and 44 of this chapter  
 7 and subject to section 45 of this chapter, an individual who desires to  
 8 claim the deduction provided by this section must file a certified  
 9 statement in duplicate, on forms prescribed by the department of local  
 10 government finance, with the auditor of the county in which the  
 11 homestead is located. The statement must include:

- 12 (1) the parcel number or key number of the property and the name  
 13 of the city, town, or township in which the property is located;  
 14 (2) the name of any other location in which the applicant or the  
 15 applicant's spouse owns, is buying, or has a beneficial interest in  
 16 residential real property;  
 17 (3) the names of:

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

19 (i) as the names appear in the records of the United States  
 20 Social Security Administration for the purposes of the  
 21 issuance of a Social Security card and Social Security  
 22 number; or

23 (ii) that they use as their legal names when they sign their  
 24 names on legal documents;

25 if the applicant is an individual; or

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

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

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

34 if the applicant is not an individual; and

35 (4) either:

36 (A) the last five (5) digits of the applicant's Social Security  
 37 number and the last five (5) digits of the Social Security  
 38 number of the applicant's spouse (if any); or

39 (B) if the applicant or the applicant's spouse (if any) do not  
 40 have a Social Security number, any of the following for that  
 41 individual:

42 (i) The last five (5) digits of the individual's driver's license

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1 number.  
 2 (ii) The last five (5) digits of the individual's state  
 3 identification card number.  
 4 (iii) If the individual does not have a driver's license or a  
 5 state identification card, the last five (5) digits of a control  
 6 number that is on a document issued to the individual by the  
 7 federal government and determined by the department of  
 8 local government finance to be acceptable.  
 9 If a form or statement provided to the county auditor under this section,  
 10 IC 6-1.1-22-8.1, or IC 6-1.1-22.5-12 includes the telephone number or  
 11 part or all of the Social Security number of a party or other number  
 12 described in subdivision (4)(B) of a party, the telephone number and  
 13 the Social Security number or other number described in subdivision  
 14 (4)(B) included are confidential. The statement may be filed in person  
 15 or by mail. If the statement is mailed, the mailing must be postmarked  
 16 on or before the last day for filing. The statement applies for that first  
 17 year and any succeeding year for which the deduction is allowed. With  
 18 respect to real property, the statement must be completed and dated in  
 19 the calendar year for which the person desires to obtain the deduction  
 20 and filed with the county auditor on or before January 5 of the  
 21 immediately succeeding calendar year. With respect to a mobile home  
 22 that is not assessed as real property, the person must file the statement  
 23 during the twelve (12) months before March 31 of the year for which  
 24 the person desires to obtain the deduction.  
 25 (⊕) (e) If an individual who is receiving the deduction provided by  
 26 this section or who otherwise qualifies property for a deduction under  
 27 this section:  
 28 (1) changes the use of the individual's property so that part or all  
 29 of the property no longer qualifies for the deduction under this  
 30 section; or  
 31 (2) is no longer eligible for a deduction under this section on  
 32 another parcel of property because:  
 33 (A) the individual would otherwise receive the benefit of more  
 34 than one (1) deduction under this chapter; or  
 35 (B) the individual maintains the individual's principal place of  
 36 residence with another individual who receives a deduction  
 37 under this section;  
 38 the individual must file a certified statement with the auditor of the  
 39 county, notifying the auditor of the change of use, not more than sixty  
 40 (60) days after the date of that change. An individual who fails to file  
 41 the statement required by this subsection is liable for any additional  
 42 taxes that would have been due on the property if the individual had

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1 filed the statement as required by this subsection plus a civil penalty  
 2 equal to ten percent (10%) of the additional taxes due. The civil penalty  
 3 imposed under this subsection is in addition to any interest and  
 4 penalties for a delinquent payment that might otherwise be due. One  
 5 percent (1%) of the total civil penalty collected under this subsection  
 6 shall be transferred by the county to the department of local  
 7 government finance for use by the department in establishing and  
 8 maintaining the homestead property data base under subsection ~~(j)~~ **(h)**  
 9 and, to the extent there is money remaining, for any other purposes of  
 10 the department. This amount becomes part of the property tax liability  
 11 for purposes of this article.

12 ~~(g)~~ **(f)** The department of local government finance shall adopt rules  
 13 or guidelines concerning the application for a deduction under this  
 14 section.

15 ~~(h)~~ **(g)** This subsection does not apply to property in the first year  
 16 for which a deduction is claimed under this section if the sole reason  
 17 that a deduction is claimed on other property is that the individual or  
 18 married couple maintained a principal residence at the other property  
 19 on March 1 in the same year in which an application for a deduction is  
 20 filed under this section or, if the application is for a homestead that is  
 21 assessed as personal property, on March 1 in the immediately  
 22 preceding year and the individual or married couple is moving the  
 23 individual's or married couple's principal residence to the property that  
 24 is the subject of the application. Except as provided in subsection ~~(n)~~;  
 25 **(m)**, the county auditor may not grant an individual or a married couple  
 26 a deduction under this section if:

27 (1) the individual or married couple, for the same year, claims the  
 28 deduction on two (2) or more different applications for the  
 29 deduction; and

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

31 ~~(j)~~ **(h)** The department of local government finance shall provide  
 32 secure access to county auditors to a homestead property data base that  
 33 includes access to the homestead owner's name and the numbers  
 34 required from the homestead owner under subsection ~~(e)~~**(4)** ~~(d)~~**(4)** for  
 35 the sole purpose of verifying whether an owner is wrongly claiming a  
 36 deduction under this chapter or a credit under IC 6-1.1-20.4,  
 37 IC 6-1.1-20.6, or IC 6-3.5.

38 ~~(j)~~ **(i)** A county auditor may require an individual to provide  
 39 evidence proving that the individual's residence is the individual's  
 40 principal place of residence as claimed in the certified statement filed  
 41 under subsection ~~(e)~~ **(d)**. The county auditor may limit the evidence  
 42 that an individual is required to submit to a state income tax return, a

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1 valid driver's license, or a valid voter registration card showing that the  
 2 residence for which the deduction is claimed is the individual's  
 3 principal place of residence. The department of local government  
 4 finance shall work with county auditors to develop procedures to  
 5 determine whether a property owner that is claiming a standard  
 6 deduction or homestead credit is not eligible for the standard deduction  
 7 or homestead credit because the property owner's principal place of  
 8 residence is outside Indiana.

9 ~~(k)~~ (j) As used in this section, "homestead" includes property that  
 10 satisfies each of the following requirements:

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

14 (2) The property is the principal place of residence of an  
 15 individual.

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

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

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

22 ~~(k)~~ (k) If a county auditor terminates a deduction for property  
 23 described in subsection ~~(k)~~ (j) with respect to property taxes that are:

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

25 (2) first due and payable in 2010;

26 on the grounds that the property is not owned by an entity described in  
 27 subsection (a)(2)(B), the county auditor shall reinstate the deduction if  
 28 the taxpayer provides proof that the property is eligible for the  
 29 deduction in accordance with subsection ~~(k)~~ (j) and that the individual  
 30 residing on the property is not claiming the deduction for any other  
 31 property.

32 ~~(m)~~ (l) For ~~assessments~~ **assessment** dates after 2009, the term  
 33 "homestead" includes:

34 (1) a deck or patio;

35 (2) a gazebo; or

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

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

40 ~~(m)~~ (m) A county auditor shall grant an individual a deduction under  
 41 this section regardless of whether the individual and the individual's  
 42 spouse claim a deduction on two (2) different applications and each

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1 application claims a deduction for different property if the property  
 2 owned by the individual's spouse is located outside Indiana and the  
 3 individual files an affidavit with the county auditor containing the  
 4 following information:

5 (1) The names of the county and state in which the individual's  
 6 spouse claims a deduction substantially similar to the deduction  
 7 allowed by this section.

8 (2) A statement made under penalty of perjury that the following  
 9 are true:

10 (A) That the individual and the individual's spouse maintain  
 11 separate principal places of residence.

12 (B) That neither the individual nor the individual's spouse has  
 13 an ownership interest in the other's principal place of  
 14 residence.

15 (C) That neither the individual nor the individual's spouse has,  
 16 for that same year, claimed a standard or substantially similar  
 17 deduction for any property other than the property maintained  
 18 as a principal place of residence by the respective individuals.

19 A county auditor may require an individual or an individual's spouse to  
 20 provide evidence of the accuracy of the information contained in an  
 21 affidavit submitted under this subsection. The evidence required of the  
 22 individual or the individual's spouse may include state income tax  
 23 returns, excise tax payment information, property tax payment  
 24 information, driver license information, and voter registration  
 25 information.

26 ~~(c)~~ **(n)** If:

27 (1) a property owner files a statement under subsection ~~(c)~~ **(d)** to  
 28 claim the deduction provided by this section for a particular  
 29 property; and

30 (2) the county auditor receiving the filed statement determines  
 31 that the property owner's property is not eligible for the deduction;  
 32 the county auditor shall inform the property owner of the county  
 33 auditor's determination in writing. If a property owner's property is not  
 34 eligible for the deduction because the county auditor has determined  
 35 that the property is not the property owner's principal place of  
 36 residence, the property owner may appeal the county auditor's  
 37 determination to the county property tax assessment board of appeals  
 38 as provided in IC 6-1.1-15. The county auditor shall inform the  
 39 property owner of the owner's right to appeal to the county property tax  
 40 assessment board of appeals when the county auditor informs the  
 41 property owner of the county auditor's determination under this  
 42 subsection.



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1 SECTION 25. IC 6-1.1-12-38, AS AMENDED BY P.L.1-2009,  
 2 SECTION 39, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 3 UPON PASSAGE]: Sec. 38. (a) A person is entitled to a deduction  
 4 from the assessed value of the person's property in an amount equal to  
 5 the difference between:

6 (1) the assessed value of the person's property, including the  
 7 assessed value of the improvements made to comply with the  
 8 fertilizer storage rules adopted by the state chemist under  
 9 IC 15-16-2-44 and the pesticide storage rules adopted by the state  
 10 chemist under IC 15-16-4-52; minus

11 (2) the assessed value of the person's property, excluding the  
 12 assessed value of the improvements made to comply with the  
 13 fertilizer storage rules adopted by the state chemist under  
 14 IC 15-16-2-44 and the pesticide storage rules adopted by the state  
 15 chemist under IC 15-16-4-52.

16 (b) To obtain the deduction under this section, a person must file a  
 17 certified statement in duplicate, on forms prescribed by the department  
 18 of local government finance, with the auditor of the county in which the  
 19 property is subject to assessment. In addition to the certified statement,  
 20 the person must file a certification by the state chemist listing the  
 21 improvements that were made to comply with the fertilizer storage  
 22 rules adopted under IC 15-16-2-44 and the pesticide storage rules  
 23 adopted by the state chemist under IC 15-16-4-52. Subject to section  
 24 45 of this chapter, the statement and certification must be filed during  
 25 the year preceding the year the deduction will first be applied. Upon the  
 26 verification of the statement and certification by the assessor of the  
 27 township in which the property is subject to assessment, or the county  
 28 assessor if there is no township assessor for the township, the county  
 29 auditor shall allow the deduction.

30 (c) The deduction provided by this section applies only if the  
 31 person:

32 (1) owns the property; or

33 (2) is buying the property under a **qualified installment** contract;  
 34 on the assessment date for which the deduction applies.

35 SECTION 26. IC 6-1.1-12-39 IS AMENDED TO READ AS  
 36 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 39. (a) **To be a**  
 37 **qualified installment contract, an agreement must meet the**  
 38 **following criteria:**

39 (1) **The agreement must be an enforceable contract that**  
 40 **obligates the owner of:**

41 (A) **real property;**

42 (B) **a mobile home that is not assessed as real property; or**

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- 1           **(C) a manufactured home that is not assessed as real**  
 2           **property;**  
 3           **to transfer legal title to and ownership of the real property,**  
 4           **mobile home, or manufactured home to a buyer or buyers**  
 5           **named in the agreement upon the buyer's payment of the total**  
 6           **contract price in one (1) or more installments and in**  
 7           **fulfillment of any other conditions or terms that are part of**  
 8           **the agreement.**  
 9           **(2) Except as provided in subsection (b), the agreement must**  
 10           **provide that the buyer is to pay property taxes on the real**  
 11           **property, mobile home, or manufactured home that is the**  
 12           **subject of the agreement.**  
 13           **(3) The agreement or a memorandum of the agreement must**  
 14           **be recorded in the county recorder's office for the county**  
 15           **where the property is located.**  
 16           **(4) A contract for the sale of real property that is entered into**  
 17           **after May 31, 2013, must specify the total contract price.**  
 18           ~~(a)~~ **(b) A person who is:**  
 19                   (1) purchasing property under a **contract that otherwise**  
 20                   **qualifies as a qualified installment contract except that the**  
 21                   **contract** does not require the buyer to pay property taxes on the  
 22                   property; and  
 23                   (2) required to pay property taxes under IC 6-1.1-10-41;  
 24           is eligible for a deduction granted by this chapter to the same extent as  
 25           a person who is buying property under a **qualified installment** contract  
 26           that provides the contract buyer is to pay property taxes on the  
 27           property.  
 28           ~~(b)~~ **(c) To obtain the a deduction under subsection (b), with the**  
 29           **application the applicant must provide:**  
 30                   (1) the same information concerning the **qualified installment**  
 31                   contract that is required for **qualified installment** contracts that  
 32                   require the buyer to pay property taxes; and  
 33                   (2) information that indicates that IC 6-1.1-10-41 applies to the  
 34                   property.  
 35           **(d) An applicant that applies for a deduction under this chapter**  
 36           **after May 31, 2013, for property that is being sold under a**  
 37           **qualified installment contract does not qualify for a deduction**  
 38           **under this article unless the applicant includes in the applicant's**  
 39           **application the record number and page where the qualified**  
 40           **installment contract or memorandum of the qualified installment**  
 41           **contract is recorded.**  
 42           **(e) A person that has sold real property, a mobile home not**

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1 **assessed as real property, or a manufactured home not assessed as**  
 2 **real property to another person under a qualified installment**  
 3 **contract may not claim the deduction provided under this section**  
 4 **with respect to that real property, mobile home, or manufactured**  
 5 **home.**

6 SECTION 27. IC 6-1.1-12-45, AS ADDED BY P.L.144-2008,  
 7 SECTION 38, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 8 UPON PASSAGE]: Sec. 45. (a) Subject to subsections (b) and (c), a  
 9 deduction under this chapter applies for an assessment date and for the  
 10 property taxes due and payable based on the assessment for that  
 11 assessment date, regardless of whether, with respect to the real property  
 12 or mobile home or manufactured home not assessed as real property:

13 (1) the title is conveyed one (1) or more times; or

14 (2) one (1) or more **qualified installment** contracts to purchase  
 15 are entered into;

16 after that assessment date and on or before the next succeeding  
 17 assessment date.

18 (b) Subsection (a) applies:

19 (1) only if the title holder or the **qualified installment** contract  
 20 buyer on that next succeeding assessment date is eligible for the  
 21 deduction for that next succeeding assessment date; and

22 (2) regardless of whether:

23 (A) one (1) or more grantees of title under subsection (a)(1);  
 24 or

25 (B) one (1) or more **qualified installment** contract purchasers  
 26 under subsection (a)(2);

27 files a statement under this chapter to claim the deduction.

28 (c) A deduction applies under subsection (a) for only one (1) year.

29 The requirements of this chapter for filing a statement to apply for a  
 30 deduction under this chapter apply to subsequent years.

31 (d) If:

32 (1) a statement is filed under this chapter in a calendar year to  
 33 claim a deduction under this chapter with respect to real property;  
 34 and

35 (2) the eligibility criteria for the deduction are met;

36 the deduction applies for the assessment date in that calendar year and  
 37 for the property taxes due and payable based on the assessment for that  
 38 assessment date.

39 (e) If:

40 (1) a statement is filed under this chapter in a twelve (12) month  
 41 filing period designated under this chapter to claim a deduction  
 42 under this chapter with respect to a mobile home or a

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1 manufactured home not assessed as real property; and  
 2 (2) the eligibility criteria for the deduction are met;  
 3 the deduction applies for the assessment date in that twelve (12) month  
 4 period and for the property taxes due and payable based on the  
 5 assessment for that assessment date.

6 SECTION 28. IC 6-1.1-22-8.1, AS AMENDED BY P.L.120-2012,  
 7 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 8 UPON PASSAGE]: Sec. 8.1. (a) The county treasurer shall:

9 (1) except as provided in subsection (h), mail to the last known  
 10 address of each person liable for any property taxes or special  
 11 assessment, as shown on the tax duplicate or special assessment  
 12 records, or to the last known address of the most recent owner  
 13 shown in the transfer book; and

14 (2) transmit by written, electronic, or other means to a mortgagee  
 15 maintaining an escrow account for a person who is liable for any  
 16 property taxes or special assessments, as shown on the tax  
 17 duplicate or special assessment records;

18 a statement in the form required under subsection (b). However, for  
 19 property taxes first due and payable in 2008, the county treasurer may  
 20 choose to use a tax statement that is different from the tax statement  
 21 prescribed by the department under subsection (b). If a county chooses  
 22 to use a different tax statement, the county must still transmit (with the  
 23 tax bill) the statement in either color type or black-and-white type.

24 (b) The department of local government finance shall prescribe a  
 25 form, subject to the approval of the state board of accounts, for the  
 26 statement under subsection (a) that includes at least the following:

27 (1) A statement of the taxpayer's current and delinquent taxes and  
 28 special assessments.

29 (2) A breakdown showing the total property tax and special  
 30 assessment liability and the amount of the taxpayer's liability that  
 31 will be distributed to each taxing unit in the county.

32 (3) An itemized listing for each property tax levy, including:

33 (A) the amount of the tax rate;

34 (B) the entity levying the tax owed; and

35 (C) the dollar amount of the tax owed.

36 (4) Information designed to show the manner in which the taxes  
 37 and special assessments billed in the tax statement are to be used.

38 (5) A comparison showing any change in the assessed valuation  
 39 for the property as compared to the previous year.

40 (6) A comparison showing any change in the property tax and  
 41 special assessment liability for the property as compared to the  
 42 previous year. The information required under this subdivision

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- 1 must identify:
- 2 (A) the amount of the taxpayer's liability distributable to each
- 3 taxing unit in which the property is located in the current year
- 4 and in the previous year; and
- 5 (B) the percentage change, if any, in the amount of the
- 6 taxpayer's liability distributable to each taxing unit in which
- 7 the property is located from the previous year to the current
- 8 year.
- 9 (7) An explanation of the following:
- 10 (A) Homestead credits under IC 6-1.1-20.4, IC 6-3.5-6-13, or
- 11 another law that are available in the taxing district where the
- 12 property is located.
- 13 (B) All property tax deductions that are available in the taxing
- 14 district where the property is located.
- 15 (C) The procedure and deadline for filing for any available
- 16 homestead credits under IC 6-1.1-20.4, IC 6-3.5-6-13, or
- 17 another law and each deduction.
- 18 (D) The procedure that a taxpayer must follow to:
- 19 (i) appeal a current assessment; or
- 20 (ii) petition for the correction of an error related to the
- 21 taxpayer's property tax and special assessment liability.
- 22 (E) The forms that must be filed for an appeal or a petition
- 23 described in clause (D).
- 24 (F) The procedure and deadline that a taxpayer must follow
- 25 and the forms that must be used if a credit or deduction has
- 26 been granted for the property and the taxpayer is no longer
- 27 eligible for the credit or deduction.
- 28 (G) Notice that an appeal described in clause (D) requires
- 29 evidence relevant to the true tax value of the taxpayer's
- 30 property as of the assessment date that is the basis for the taxes
- 31 payable on that property.
- 32 The department of local government finance shall provide the
- 33 explanation required by this subdivision to each county treasurer.
- 34 (8) A checklist that shows:
- 35 (A) homestead credits under IC 6-1.1-20.4, IC 6-3.5-6-13, or
- 36 another law and all property tax deductions; and
- 37 (B) whether each homestead credit and property tax deduction
- 38 applies in the current statement for the property transmitted
- 39 under subsection (a).
- 40 (9) This subdivision applies to any property for which a deduction
- 41 or credit is listed under subdivision (8) if the notice required
- 42 under this subdivision was not provided to a taxpayer on a

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1 reconciling statement under IC 6-1.1-22.5-12. The statement must  
2 include in 2010, 2011, and 2012 a notice that must be returned by  
3 the taxpayer to the county auditor with the taxpayer's verification  
4 of the items required by this subdivision. The notice must explain  
5 the tax consequences and applicable penalties if a taxpayer  
6 unlawfully claims a standard deduction under IC 6-1.1-12-37 on:

- 7 (A) more than one (1) parcel of property; or
- 8 (B) property that is not the taxpayer's principal place of  
9 residence or is otherwise not eligible for the standard  
10 deduction.

11 The notice must include a place for the taxpayer to indicate, under  
12 penalties of perjury, for each deduction and credit listed under  
13 subdivision (8), whether the property is eligible for the deduction  
14 or credit listed under subdivision (8). The notice must also  
15 include a place for each individual who qualifies the property for  
16 a deduction or credit listed in subdivision (8) to indicate the name  
17 of the individual and the name of the individual's spouse (if any),  
18 as the names appear in the records of the United States Social  
19 Security Administration for the purposes of the issuance of a  
20 Social Security card and Social Security number (or that they use  
21 as their legal names when they sign their names on legal  
22 documents), and either the last five (5) digits of each individual's  
23 Social Security number or, if an individual does not have a Social  
24 Security number, the numbers required from the individual under  
25 ~~IC 6-1.1-12-37(e)(4)(B)~~. **IC 6-1.1-12-37(d)(4)(B)**. The notice  
26 must explain that the taxpayer must complete and return the  
27 notice with the required information and that failure to complete  
28 and return the notice may result in disqualification of property for  
29 deductions and credits listed in subdivision (8), must explain how  
30 to return the notice, and must be on a separate form printed on  
31 paper that is a different color than the tax statement. The notice  
32 must be prepared in the form prescribed by the department of  
33 local government finance and include any additional information  
34 required by the department of local government finance. This  
35 subdivision expires January 1, 2015.

36 (c) The county treasurer may mail or transmit the statement one (1)  
37 time each year at least fifteen (15) days before the date on which the  
38 first or only installment is due. Whenever a person's tax liability for a  
39 year is due in one (1) installment under IC 6-1.1-7-7 or section 9 of this  
40 chapter, a statement that is mailed must include the date on which the  
41 installment is due and denote the amount of money to be paid for the  
42 installment. Whenever a person's tax liability is due in two (2)

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1 installments, a statement that is mailed must contain the dates on which  
 2 the first and second installments are due and denote the amount of  
 3 money to be paid for each installment. If a statement is returned to the  
 4 county treasurer as undeliverable and the forwarding order is expired,  
 5 the county treasurer shall notify the county auditor of this fact. Upon  
 6 receipt of the county treasurer's notice, the county auditor may, at the  
 7 county auditor's discretion, treat the property as not being eligible for  
 8 any deductions under IC 6-1.1-12 or any homestead credits under  
 9 IC 6-1.1-20.4 and IC 6-3.5-6-13.

10 (d) All payments of property taxes and special assessments shall be  
 11 made to the county treasurer. The county treasurer, when authorized by  
 12 the board of county commissioners, may open temporary offices for the  
 13 collection of taxes in cities and towns in the county other than the  
 14 county seat.

15 (e) The county treasurer, county auditor, and county assessor shall  
 16 cooperate to generate the information to be included in the statement  
 17 under subsection (b).

18 (f) The information to be included in the statement under subsection  
 19 (b) must be simply and clearly presented and understandable to the  
 20 average individual.

21 (g) After December 31, 2007, a reference in a law or rule to  
 22 IC 6-1.1-22-8 (expired January 1, 2008, and repealed) shall be treated  
 23 as a reference to this section.

24 (h) Transmission of statements and other information under this  
 25 subsection applies in a county only if the county legislative body adopts  
 26 an authorizing ordinance. Subject to subsection (i), in a county in  
 27 which an ordinance is adopted under this subsection for property taxes  
 28 and special assessments first due and payable after 2009, a person may,  
 29 in any manner permitted by subsection (n), direct the county treasurer  
 30 and county auditor to transmit the following to the person by electronic  
 31 mail:

32 (1) A statement that would otherwise be sent by the county  
 33 treasurer to the person by regular mail under subsection (a)(1),  
 34 including a statement that reflects installment payment due dates  
 35 under section 9.5 or 9.7 of this chapter.

36 (2) A provisional tax statement that would otherwise be sent by  
 37 the county treasurer to the person by regular mail under  
 38 IC 6-1.1-22.5-6.

39 (3) A reconciling tax statement that would otherwise be sent by  
 40 the county treasurer to the person by regular mail under any of the  
 41 following:

42 (A) Section 9 of this chapter.

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- 1 (B) Section 9.7 of this chapter.  
 2 (C) IC 6-1.1-22.5-12, including a statement that reflects  
 3 installment payment due dates under IC 6-1.1-22.5-18.5.  
 4 (4) Any other information that:  
 5 (A) concerns the property taxes or special assessments; and  
 6 (B) would otherwise be sent:  
 7 (i) by the county treasurer or the county auditor to the person  
 8 by regular mail; and  
 9 (ii) before the last date the property taxes or special  
 10 assessments may be paid without becoming delinquent.  
 11 The information listed in this subsection may be transmitted to a person  
 12 by using electronic mail that provides a secure Internet link to the  
 13 information.  
 14 (i) For property with respect to which more than one (1) person is  
 15 liable for property taxes and special assessments, subsection (h) applies  
 16 only if all the persons liable for property taxes and special assessments  
 17 designate the electronic mail address for only one (1) individual  
 18 authorized to receive the statements and other information referred to  
 19 in subsection (h).  
 20 (j) Before 2010, the department of local government finance shall  
 21 create a form to be used to implement subsection (h). The county  
 22 treasurer and county auditor shall:  
 23 (1) make the form created under this subsection available to the  
 24 public;  
 25 (2) transmit a statement or other information by electronic mail  
 26 under subsection (h) to a person who, at least thirty (30) days  
 27 before the anticipated general mailing date of the statement or  
 28 other information, files the form created under this subsection:  
 29 (A) with the county treasurer; or  
 30 (B) with the county auditor; and  
 31 (3) publicize the availability of the electronic mail option under  
 32 this subsection through appropriate media in a manner reasonably  
 33 designed to reach members of the public.  
 34 (k) The form referred to in subsection (j) must:  
 35 (1) explain that a form filed as described in subsection (j)(2)  
 36 remains in effect until the person files a replacement form to:  
 37 (A) change the person's electronic mail address; or  
 38 (B) terminate the electronic mail option under subsection (h);  
 39 and  
 40 (2) allow a person to do at least the following with respect to the  
 41 electronic mail option under subsection (h):  
 42 (A) Exercise the option.

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- 1 (B) Change the person's electronic mail address.
- 2 (C) Terminate the option.
- 3 (D) For a person other than an individual, designate the
- 4 electronic mail address for only one (1) individual authorized
- 5 to receive the statements and other information referred to in
- 6 subsection (h).
- 7 (E) For property with respect to which more than one (1)
- 8 person is liable for property taxes and special assessments,
- 9 designate the electronic mail address for only one (1)
- 10 individual authorized to receive the statements and other
- 11 information referred to in subsection (h).
- 12 (I) The form created under subsection (j) is considered filed with the
- 13 county treasurer or the county auditor on the postmark date or on the
- 14 date it is electronically submitted. If the postmark is missing or
- 15 illegible, the postmark is considered to be one (1) day before the date
- 16 of receipt of the form by the county treasurer or the county auditor.
- 17 (m) The county treasurer shall maintain a record that shows at least
- 18 the following:
- 19 (1) Each person to whom a statement or other information is
- 20 transmitted by electronic mail under this section.
- 21 (2) The information included in the statement.
- 22 (3) Whether the county treasurer received a notice that the
- 23 person's electronic mail was undeliverable.
- 24 (n) A person may direct the county treasurer and county auditor to
- 25 transmit information by electronic mail under subsection (h) on a form
- 26 prescribed by the department submitted:
- 27 (1) in person;
- 28 (2) by mail; or
- 29 (3) in an online format developed by the county and approved by
- 30 the department.
- 31 **SECTION 29. An emergency is declared for this act.**

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