



Reprinted
April 12, 2023

ENGROSSED HOUSE BILL No. 1454

DIGEST OF HB 1454 (Updated April 11, 2023 4:56 pm - DI 129)

Citations Affected: IC 5-1; IC 5-13; IC 5-16; IC 5-28; IC 6-1.1; IC 6-3; IC 6-3.6; IC 6-5.5; IC 6-7; IC 6-8; IC 8-1; IC 14-27; IC 20-45; IC 20-46; IC 20-48; IC 36-1; IC 36-1.5; IC 36-2; IC 36-3; IC 36-6; IC 36-7; IC 36-7.5; IC 36-8; IC 36-10; noncode.

Synopsis: Department of local government finance. Provides that the term of any judgment funding bond with regard to either: (1) the city of Hobart; or (2) the Merrillville Community School Corporation; issued for the purpose of paying a property tax judgment rendered against Lake County for assessment year 2011, 2012, 2013, or 2014 shall be 25 years. Changes the sunset date for the procedure for selling certain bonds to July 1, 2025, and makes corresponding changes. Adds nonprofit building corporations created by a municipal corporation to a provision concerning the purchase of municipal securities by the treasurer of state (treasurer) and provides that such a security must
(Continued next page)

Effective: Upon passage; January 1, 2022 (retroactive); January 1, 2023 (retroactive); July 1, 2023; January 1, 2024.

Snow, Heine, Judy, Pryor

(SENATE SPONSORS — BASSLER, NIEZGODSKI, ALTING,
RANDOLPH LONNIE M)

January 17, 2023, read first time and referred to Committee on Ways and Means.
February 9, 2023, amended, reported — Do Pass.
February 13, 2023, read second time, ordered engrossed.
February 14, 2023, engrossed. Read third time, passed. Yeas 73, nays 19.

SENATE ACTION

February 27, 2023, read first time and referred to Committee on Tax and Fiscal Policy.
April 4, 2023, amended, reported favorably — Do Pass.
April 11, 2023, read second time, amended, ordered engrossed.

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have a stated final maturity of not more than 25 years after the date of purchase. Specifies expenses eligible for funding from the READI fund. Prohibits the department of local government finance (department) from approving a county reassessment plan before the assessor provides verification that the land values determination has been completed. Requires an assessor determining land values to submit the values to the county property tax assessment board of appeals (PTABOA). Establishes procedures for rental property assessment appeals. Provides that tangible property is exempt from property taxation if it is: (1) owned by a nonprofit entity; and (2) used by a nonprofit entity for a charitable purpose in the operation of a residential facility for the aged that is either: (A) registered as a continuing care retirement community; or (B) licensed as a health care facility; or both. Makes changes to a provision granting a property tax exemption to cemetery owners. Provides, for certain tangible property, that a determination of an appealed assessed value: (1) by a county or township official resulting from an informal meeting; (2) by a PTABOA resulting from an appeal hearing; or (3) by the Indiana board resulting from an appeal hearing; may be less than or equal to the original appealed assessed value at issue, but may not exceed the original appealed assessed value at issue. Provides that a qualified taxing unit located in Lake County that has experienced a property tax revenue shortfall in one or more tax years: (1) resulting from erroneous assessed valuation figures; and (2) which was, or will be, at least \$5,000,000, or 20% of its net tax levy, as a result of the erroneous assessed valuation amount; may apply to the treasurer for a loan from the counter-cyclical revenue and economic stabilization fund. Describes procedures, limitations, and uses for such loans. Prescribes a formula for determining a population growth of 150% for purposes of the exclusion from maximum ad valorem property tax levy limits for municipalities that meet specified criteria. Makes changes to statutes concerning maximum property tax levies for: (1) Sugar Creek Township Fire Protection District; and (2) Otter Creek Township. Amends an exclusion from the definition of "controlled project" for projects required by a court order. Provides that: (1) controlled environment agriculture property; and (2) health care property; are subject to a 2% circuit breaker credit. Defines "controlled environment agriculture property" and "health care property". Requires the land of controlled environment agriculture property to be classified and assessed as agricultural and the improvements to be classified and assessed as an agricultural greenhouse for property tax assessment. Extends through 2026 the authority for certain school corporations to allocate circuit breaker credits proportionately but imposes limitations with respect to school corporation eligibility to allocate such credits. Repeals the provision establishing the division of data analysis of the department. Prohibits a county auditor from denying an application for a standard deduction for a homestead because the applicant does not have a valid driver's license with the address of the homestead property. Provides that when a county auditor submits a certified statement of assessed value to the department, the county auditor shall exclude the amount of assessed value for any property located in the county for which an appeal has been filed and for which there is no final disposition. Provides for the expiration of certain supplemental county property tax levy provisions on the later of: (1) January 1, 2045; or (2) the date on which all bonds or lease agreements outstanding on July 1, 2023, for which a pledge of tax revenue is completely paid. Imposes reporting and publication requirements for those bonds and leases. Provides that a county auditor may appeal to the department to include the amount of assessed value under appeal within a taxing district for that calendar year. Removes the requirement that a PTABOA quorum must include at least one certified level two or level three assessor-appraiser. Prescribes additional duties for the

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department. Provides that, in the assessment of tangible property, confidential information may be disclosed to an official or employee of a county. Provides that the required annual visit between a representative of the department and each county may take place virtually. Requires a township or county assessor to document any changes made to the parcel characteristics of real property from the previous year's assessment in an assessment of the real property. Provides that a township may elect to establish a township firefighting fund and a township emergency services fund in lieu of the township firefighting and emergency services fund. Amends provisions excluding the part of a participating unit's proceeds of property taxes imposed in certain tax increment finance areas for an assessment date with respect to which the allocation and distribution is made that are attributable to property taxes imposed to meet the participating unit's obligations to a fire protection territory. Allows a nonprofit agricultural organization (organization) that offers health coverage to make an election to pay adjusted gross income tax in lieu of the tax imposed on such an organization under current law and makes corresponding changes. Imposes (for purposes of the local income tax) restrictions on a county adopting body if the county adopting body makes any fiscal decision that has a financial impact to an underlying local taxing unit. Imposes taxes on the distribution of cigars. Amends the Indiana statute governing video service franchises to provide that a local unit to which a video service provider (provider) pays a franchise fee under the statute may not assess with respect to certain fees that could otherwise be imposed on the provider for the provider's occupation of or work within the public right-of-way. Provides that this prohibition does not restrict the right of the unit to impose on the provider any ad valorem taxes or other taxes of general applicability that the unit lawfully imposes on other businesses owning property or operating within the unit. Increases amounts for which state educational institutions and school corporations may award contracts. Makes changes to the geothermal device deduction. Removes provisions that require a county to meet certain qualifications before it is authorized to adopt an emergency medical services local income tax rate. Provides that if the sale price of distressed property exceeds \$50,000, a redevelopment commission must obtain two independent appraisals before purchasing the property. Provides (beginning on or after January 1, 2024) that the legislative body of a town that has a mayor as a result of a reorganization may hire or contract with competent attorneys and legal research assistants on terms it considers appropriate. Repeals a statute requiring the county recorder to provide to the county auditor a list of recorded mortgage releases. Makes changes to various definitions in the Indiana Code chapter concerning rail transit development districts and makes a corresponding change to the local income tax increment fund. Changes the dates on which the department of state revenue (state department) determines base period amounts and increment revenue for purpose of the Indiana Code chapter concerning rail transit development districts and allows the state department (if necessary) to redetermine base period amounts and increment revenue. Allows the county legislative body of a county in which a fire protection district includes all of the incorporated and unincorporated area of the county to adopt an ordinance to establish a nine member fire protection district governing board (governing board). Provides that on the date set forth in the ordinance establishing the governing board: (1) the governing board has the powers and duties of the board of fire trustees; and (2) the board of fire trustees acts solely as an advisory body to the governing board. Makes certain changes and technical corrections to provisions contained in SEA 2 (P.L.1-2023) (Taxation of pass through entities). Makes conforming changes and resolves conflicts.



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April 12, 2023

First Regular Session of the 123rd General Assembly (2023)

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 2022 Regular Session of the General Assembly.

ENGROSSED HOUSE BILL No. 1454

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 5-1-8-1 IS AMENDED TO READ AS FOLLOWS
2 [EFFECTIVE JULY 1, 2023]: Sec. 1. **(a)** The county council may, in
3 its discretion, authorize the issuance and sale of judgment funding
4 bonds of the county for the purpose of procuring funds to pay any
5 judgment taken against the county. Such bonds shall be authorized,
6 issued and sold pursuant to statutes governing the issuance of
7 refunding bonds of the county, and the amount thereof shall not exceed
8 the face of the judgment or judgments being funded, plus the accrued
9 interest thereon, together with the costs taxed by the court.
10 **(b) The term of any judgment funding bond under subsection**
11 **(a) with regard to either:**
12 **(1) the city of Hobart; or**
13 **(2) the Merrillville Community School Corporation;**
14 **issued for the purpose of paying a property tax judgment rendered**
15 **against Lake County for assessment year 2011, 2012, 2013, or 2014**

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1 **shall be twenty-five (25) years.**

2 SECTION 2. IC 5-1-11-1, AS AMENDED BY P.L.38-2021,
3 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
4 JULY 1, 2023]: Sec. 1. (a) Except as otherwise provided in this chapter
5 or in the statute authorizing their issuance, all bonds issued by or in the
6 name of counties, townships, cities, towns, school corporations, and
7 special taxing districts, agencies or instrumentalities thereof, or by
8 entities required to sell bonds pursuant to ~~IC 5-1-11~~, **this chapter**,
9 whether the bonds are general obligations or issued in anticipation of
10 the collection of special taxes or are payable out of revenues, may be
11 sold:

12 (1) at a public sale; or

13 (2) alternatively, at a negotiated sale after June 30, 2018, and
14 before July 1, ~~2023~~, **2025**, in the case of:

15 (A) counties;

16 (B) townships;

17 (C) cities;

18 (D) towns; ~~and~~

19 **(E) taxing districts;**

20 **(F) special taxing districts; and**

21 ~~(E)~~ **(G)** school corporations.

22 (b) The word "bonds" as used in this chapter means any obligations
23 issued by or in the name of any of the political subdivisions or bodies
24 referred to in subsection (a), except obligations payable in the year in
25 which they are issued, obligations issued in anticipation of the
26 collection of delinquent taxes, and obligations issued in anticipation of
27 the collection of frozen bank deposits.

28 (c) Notwithstanding any of the provisions of subsection (a) or any
29 of the provisions of section 2 of this chapter, any bonds may be sold to
30 the federal government or any agency thereof, at private sale and
31 without a public offering.

32 SECTION 3. IC 5-1-11-6, AS AMENDED BY P.L.38-2021,
33 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
34 JULY 1, 2023]: Sec. 6. (a) In cases where other statutes authorize the
35 issuance and exchange of new bonds for the purpose of refunding or
36 redeeming outstanding bonds for the payment of which no funds are
37 available, it shall be the duty of the officers charged with issuance and
38 exchange of the new bonds to cause the bonds to be offered:

39 (1) at a public sale as provided in this chapter; or

40 (2) alternatively, at a negotiated sale after June 30, 2018, and
41 before July 1, ~~2023~~, **2025**, in the case of:

42 (A) counties;



1 (B) townships;
 2 (C) cities;
 3 (D) towns; ~~and~~
 4 **(E) taxing districts;**
 5 **(F) special taxing districts; and**
 6 ~~(E)~~ **(G)** school corporations.

7 (b) In cases where it is necessary to provide for the refunding of
 8 bonds or interest coupons maturing at various times over a period not
 9 exceeding six (6) months, the bodies and officials charged with the
 10 duty of issuing and selling the refunding bonds may, for the purpose of
 11 reducing the cost of issuance of the bonds, issue and sell one (1) issue
 12 of bonds in an amount sufficient to provide for the refunding of all of
 13 the bonds and interest coupons required to be refunded during the six
 14 (6) month period.

15 SECTION 4. IC 5-1-14-10, AS AMENDED BY P.L.229-2011,
 16 SECTION 66, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 17 JULY 1, 2023]: Sec. 10. (a) If an issuer has issued obligations under a
 18 statute that establishes a maximum term or repayment period for the
 19 obligations, notwithstanding that statute, the issuer may continue to
 20 make payments of principal, interest, or both, on the obligations after
 21 the expiration of the term or period if principal or interest owed to
 22 owners of the obligations remains unpaid.

23 (b) This section does not authorize the use of revenues or funds to
 24 make payments of principal and interest other than those revenues or
 25 funds that were pledged for the payments before the expiration of the
 26 term or period.

27 (c) Except as otherwise provided by this section, IC 5-1-5-2.5,
 28 **IC 5-1-8-1(b)**, IC 16-22-8-43, IC 36-7-12-27, IC 36-7-14-25.1, or
 29 IC 36-9-13-30 (but only with respect to any bonds issued under
 30 IC 36-9-13-30 that are secured by a lease entered into by a political
 31 subdivision organized and existing under IC 16-22-8), the maximum
 32 term or repayment period for obligations issued after June 30, 2008,
 33 that are wholly or partially payable from ad valorem property taxes,
 34 special benefit taxes on property, or tax increment revenues derived
 35 from property taxes may not exceed:

- 36 (1) the maximum applicable period under federal law, for
 37 obligations that are issued to evidence loans made or guaranteed
 38 by the federal government or a federal agency;
 39 (2) twenty-five (25) years, for obligations that are wholly or
 40 partially payable from tax increment revenues derived from
 41 property taxes; or
 42 (3) twenty (20) years, for obligations that are not described in



subdivision (1) or (2), and are wholly or partially payable from ad valorem property taxes or special benefit taxes on property.

SECTION 5. IC 5-13-9-2, AS AMENDED BY P.L.104-2022, SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 2. (a) Each officer designated in section 1 of this chapter may invest or reinvest any funds that are held by the officer and available for investment in any of the following:

(1) Securities backed by the full faith and credit of the United States Treasury or fully guaranteed by the United States and issued by any of the following:

(A) The United States Treasury.

(B) A federal agency.

(C) A federal instrumentality.

(D) A federal government sponsored enterprise.

(2) Securities fully guaranteed and issued by any of the following:

(A) A federal agency.

(B) A federal instrumentality.

(C) A federal government sponsored enterprise.

(3) Municipal securities issued by an Indiana local governmental entity, a quasi-governmental entity related to the state, ~~or~~ a unit of government, municipal corporation, or special taxing district in Indiana, **or a nonprofit building corporation created by a municipal corporation**, if the issuer has not defaulted on any of the issuer's obligations within the twenty (20) years preceding the date of the purchase. A security purchased by the treasurer of state under this subdivision must have a stated final maturity of not more than ten (10) years after the date of purchase. **However, a security purchased by the treasurer of state from the Indiana bond bank under this subdivision must have a stated final maturity of not more than twenty-five (25) years after the date of purchase.**

(b) If an investment under subsection (a) is made at a cost in excess of the par value of the securities purchased, any premium paid for the securities shall be deducted from the first interest received and returned to the fund from which the investment was purchased, and only the net amount is considered interest income.

(c) The officer making the investment may sell any securities acquired and may do anything necessary to protect the interests of the funds invested, including the exercise of exchange privileges which may be granted with respect to maturing securities in cases where the new securities offered in exchange meet the requirements for initial investment.



(d) The investing officers of the political subdivisions are the legal custodians of securities under this chapter. They shall accept safekeeping receipts or other reporting for securities from:

- (1) a duly designated depository as prescribed in this article; or
- (2) a financial institution located either in or out of Indiana having custody of securities with a combined capital and surplus of at least ten million dollars (\$10,000,000) according to the last statement of condition filed by the financial institution with its governmental supervisory body.

(e) The state board of accounts may rely on safekeeping receipts or other reporting from any depository or financial institution.

(f) In addition to any other investments allowed under this chapter, an officer of a conservancy district located in a city having a population of more than five thousand (5,000) and less than five thousand one hundred thirty (5,130) may also invest in:

- (1) municipal securities; and
- (2) equity securities;

having a stated final maturity of any number of years or having no stated final maturity. The total investments outstanding under this subsection may not exceed twenty-five percent (25%) of the total portfolio of funds invested by the officer of a conservancy district. However, an investment that complies with this subsection when the investment is made remains legal even if a subsequent decrease in the total portfolio invested by the officer of a conservancy district causes the percentage of investments outstanding under this subsection to exceed twenty-five percent (25%).

(g) In addition to any other investments allowed under this chapter, the clerk-treasurer of a town with a population of more than ten thousand (10,000) and less than twenty thousand (20,000) located in a county having a population of more than one hundred seventy-four thousand (174,000) and less than one hundred eighty thousand (180,000) may also invest money in a host community agreement future fund established by ordinance of the town in:

- (1) municipal securities; and
- (2) equity securities;

having a stated final maturity of any number of years or having no stated final maturity. The total investments outstanding under this subsection may not exceed twenty-five percent (25%) of the total portfolio of funds invested by the clerk-treasurer of a town. However, an investment that complies with this subsection when the investment is made remains legal even if a subsequent decrease in the total portfolio invested by the clerk-treasurer of a town causes the



percentage of investments outstanding under this subsection to exceed twenty-five percent (25%).

SECTION 6. IC 5-16-1-1.9, AS AMENDED BY P.L.143-2014, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 1.9. (a) Notwithstanding this article, a state educational institution may award a contract for any construction or repair work to any building, structure, or improvement of the institution without advertising for bids and meeting other contract awarding requirements of this article whenever the estimated cost of the project is less than ~~one hundred fifty thousand dollars (\$150,000):~~ **three hundred thousand dollars (\$300,000)**. However, in awarding any contract under this section the state educational institution must do the following:

(1) Invite quotes from at least three (3) persons, firms, limited liability companies, or corporations known to deal in the work required to be done.

(2) Give notice of the project if the estimated cost of the project is more than ~~one hundred fifty thousand dollars (\$150,000):~~ **three hundred thousand dollars (\$300,000)**. If required, notice must include a description of the work to be done and be given in at least one (1) newspaper of general circulation printed and published in the county in which the work is to be done.

(3) Award the contract to the person who submits the lowest and best quote.

(b) A state educational institution that awards a contract under this section to a minority business enterprise may include the contract when assessing the state educational institution's performance in meeting the goal set under section 7 of this chapter.

SECTION 7. IC 5-28-41-17 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 17. **In addition to the purposes described in section 7 of this chapter, the following expenses are eligible to be funded by the fund:**

(1) **Costs associated with increasing housing and associated infrastructure, including strategies that lead to permanent housing for individuals experiencing homelessness.**

(2) **Costs related to programs to support community mental health and public health.**

(3) **Costs related to providing broadband services, but only if:**

(A) **all other funding sources for the provision of broadband have been exhausted; and**

(B) **the projects funded in whole or in part by a grant or**



1 **loan from the fund satisfy the criteria and requirements**
 2 **described in IC 4-4-38.5.**

3 **(4) Costs related to improving the quality of life in the region.**

4 SECTION 8. IC 6-1.1-3-9 IS AMENDED TO READ AS
 5 FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 9. (a) In completing a
 6 personal property return for a year, a taxpayer shall make a complete
 7 disclosure of all information required by the department of local
 8 government finance that is related to the value, nature, ~~or~~ **and** location
 9 of personal property:

10 (1) that the taxpayer owned on the assessment date of that year;

11 or

12 (2) that the taxpayer held, possessed, or controlled on the
 13 assessment date of that year.

14 (b) The taxpayer shall certify to the truth of:

15 (1) all information appearing in a personal property return; and

16 (2) all data accompanying the return.

17 SECTION 9. IC 6-1.1-4-4.2, AS AMENDED BY P.L.111-2014,
 18 SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 19 JULY 1, 2023]: Sec. 4.2. (a) The county assessor of each county shall,
 20 before July 1, 2013, and before May 1 of every fourth year thereafter,
 21 prepare and submit to the department of local government finance a
 22 reassessment plan for the county. The following apply to a
 23 reassessment plan prepared and submitted under this section:

24 (1) The reassessment plan is subject to approval by the
 25 department of local government finance. The department of local
 26 government finance shall complete its review and approval of the
 27 reassessment plan before:

28 (A) March 1, 2015; and

29 (B) January 1 of each subsequent year that follows a year in
 30 which the reassessment plan is submitted by the county.

31 (2) The department of local government finance shall determine
 32 the classes of real property to be used for purposes of this section.

33 (3) Except as provided in subsection (b), the reassessment plan
 34 must divide all parcels of real property in the county into four (4)
 35 different groups of parcels. Each group of parcels must contain
 36 approximately twenty-five percent (25%) of the parcels within
 37 each class of real property in the county.

38 (4) Except as provided in subsection (b), all real property in each
 39 group of parcels shall be reassessed under the county's
 40 reassessment plan once during each four (4) year cycle.

41 (5) The reassessment of a group of parcels in a particular class of
 42 real property shall begin on May 1 of a year.



(6) The reassessment of parcels:

(A) must include a physical inspection of each parcel of real property in the group of parcels that is being reassessed; and
(B) shall be completed on or before January 1 of the year after the year in which the reassessment of the group of parcels begins.

(7) For real property included in a group of parcels that is reassessed, the reassessment is the basis for taxes payable in the year following the year in which the reassessment is to be completed.

(8) The reassessment plan must specify the dates by which the assessor must submit land values under section 13.6 of this chapter to the county property tax assessment board of appeals.

(9) The department may not approve the reassessment plan until the assessor provides verification that the land values determination under section 13.6 of this chapter has been completed.

~~(9)~~ **(10)** Subject to review and approval by the department of local government finance, the county assessor may modify the reassessment plan.

(b) A county may submit a reassessment plan that provides for reassessing more than twenty-five percent (25%) of all parcels of real property in the county in a particular year. A plan may provide that all parcels are to be reassessed in one (1) year. However, a plan must cover a four (4) year period. All real property in each group of parcels shall be reassessed under the county's reassessment plan once during each reassessment cycle.

(c) The reassessment of the first group of parcels under a county's reassessment plan shall begin on July 1, 2014, and shall be completed on or before January 1, 2015.

(d) The department of local government finance may adopt rules to govern the reassessment of property under county reassessment plans.

SECTION 10. IC 6-1.1-4-4.9 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: **Sec. 4.9. (a) This section applies to an assessment:**

**(1) under section 4.2 or 4.5 of this chapter or another law; and
(2) occurring after December 31, 2023.**

(b) If the township assessor, or the county assessor if there is no township assessor for the township, changes the underlying parcel characteristics, including age, grade, or condition, of a property from the previous year's assessment date, the township or county



1 **assessor shall document:**

2 **(1) each change; and**

3 **(2) the reason that each change was made.**

4 SECTION 11. IC 6-1.1-4-13.6, AS AMENDED BY P.L.112-2012,
5 SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
6 JULY 1, 2023]: Sec. 13.6. (a) The county assessor shall determine the
7 values of all classes of commercial, industrial, and residential land
8 (including farm homesites) in the county using guidelines determined
9 by the department of local government finance. The assessor
10 determining the values of land shall submit the values **and any**
11 **supporting document** to the county property tax assessment board of
12 appeals **and the department of local government finance** by the
13 dates specified in the county's reassessment plan under section 4.2 of
14 this chapter.

15 (b) If the county assessor fails to determine land values under
16 subsection (a) before the deadlines in the county's reassessment plan
17 under section 4.2 of this chapter, the county property tax assessment
18 board of appeals shall determine the values. If the county property tax
19 assessment board of appeals fails to determine the values before the
20 land values become effective, the department of local government
21 finance shall determine the values.

22 (c) The county assessor shall notify all township assessors in the
23 county (if any) of the values. Assessing officials shall use the values
24 determined under this section.

25 (d) A petition for the review of the land values determined by a
26 county assessor under this section may be filed with the department of
27 local government finance not later than forty-five (45) days after the
28 county assessor makes the determination of the land values. The
29 petition must be signed by at least the lesser of:

30 (1) one hundred (100) property owners in the county; or

31 (2) five percent (5%) of the property owners in the county.

32 (e) Upon receipt of a petition for review under subsection (d), the
33 department of local government finance:

34 (1) shall review the land values determined by the county
35 assessor; and

36 (2) after a public hearing, shall:

37 (A) approve;

38 (B) modify; or

39 (C) disapprove;

40 the land values.

41 SECTION 12. IC 6-1.1-4-18.5, AS AMENDED BY P.L.257-2019,
42 SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE

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JULY 1, 2023]: Sec. 18.5. (a) A county assessor may not use the services of a professional appraiser for assessment or reassessment purposes without a written contract. The contract used must be either a standard contract developed by the department of local government finance or a contract that has been specifically approved by the department. The department shall ensure that the contract:

(1) includes all of the provisions required under section 19.5(b) of this chapter; and

(2) adequately provides for the creation and transmission of real property assessment data in the form required by the legislative services agency and ~~the division of data analysis of the~~ department.

(b) No contract shall be made with any professional appraiser to act as technical advisor in the assessment of property, before the giving of notice and the receiving of bids from anyone desiring to furnish this service. Notice of the time and place for receiving bids for the contract shall be given by publication by one (1) insertion in two (2) newspapers of general circulation published in the county and representing each of the two (2) leading political parties in the county. If only one (1) newspaper is there published, notice in that one (1) newspaper is sufficient to comply with the requirements of this subsection. The contract shall be awarded to the lowest and best bidder who meets all requirements under law for entering a contract to serve as technical advisor in the assessment of property. However, any and all bids may be rejected, and new bids may be asked.

(c) The county council of each county shall appropriate the funds needed to meet the obligations created by a professional appraisal services contract which is entered into under this chapter.

(d) A county assessor who enters into a contract with a professional appraiser shall submit a contract to the department through the Indiana transparency Internet web site in the manner prescribed by the department. The county shall upload the contract not later than thirty (30) days after execution of the contract.

(e) The department may review any contracts uploaded under subsection (d) to ensure compliance with section 19.5 of this chapter.

SECTION 13. IC 6-1.1-4-39, AS AMENDED BY P.L.111-2014, SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 39. (a) For assessment dates after February 28, 2005, except as provided in subsections (c) and (e), the true tax value of real property regularly used to rent or otherwise furnish residential accommodations for periods of thirty (30) days or more and that has more than four (4) rental units is the lowest valuation determined by



1 applying each of the following appraisal approaches:

2 (1) Cost approach that includes an estimated reproduction or
3 replacement cost of buildings and land improvements as of the
4 date of valuation together with estimates of the losses in value
5 that have taken place due to wear and tear, design and plan, or
6 neighborhood influences.

7 (2) Sales comparison approach, using data for generally
8 comparable property.

9 (3) Income capitalization approach, using an applicable
10 capitalization method and appropriate capitalization rates that are
11 developed and used in computations that lead to an indication of
12 value commensurate with the risks for the subject property use.

13 (b) The gross rent multiplier method is the preferred method of
14 valuing:

15 (1) real property that has at least one (1) and not more than four
16 rental units; and

17 (2) mobile homes assessed under IC 6-1.1-7.

18 (c) A township assessor (if any) or the county assessor is not
19 required to appraise real property referred to in subsection (a) using the
20 three (3) appraisal approaches listed in subsection (a) if the assessor
21 and the taxpayer agree before notice of the assessment is given to the
22 taxpayer under section 22 of this chapter to the determination of the
23 true tax value of the property by the assessor using one (1) of those
24 appraisal approaches.

25 (d) To carry out this section, the department of local government
26 finance may adopt rules for assessors to use in gathering and
27 processing information for the application of the income capitalization
28 method and the gross rent multiplier method. If a taxpayer wishes to
29 have the income capitalization method or the gross rent multiplier
30 method used in the initial formulation of the assessment of the
31 taxpayer's property, the taxpayer must submit the necessary information
32 to the assessor not later than the assessment date. However, the
33 taxpayer is not prejudiced in any way and is not restricted in pursuing
34 an appeal, if the data is not submitted by the assessment date. A
35 taxpayer must verify under penalties for perjury any information
36 provided to the township or county assessor for use in the application
37 of either method. All information related to earnings, income, profits,
38 losses, or expenditures that is provided to the assessor under this
39 section is confidential under IC 6-1.1-35-9 to the same extent as
40 information related to earnings, income, profits, losses, or expenditures
41 of personal property is confidential under IC 6-1.1-35-9.

42 (e) The true tax value of low income rental property (as defined in



section 41 of this chapter) is not determined under subsection (a). The assessment method prescribed in section 41 of this chapter is the exclusive method for assessment of that property. This subsection does not impede any rights to appeal an assessment.

(f) For property qualifying under subsection (a), in any review or appeal under IC 6-1.1-15 and in any appeals taken to the Indiana board of tax review or the Indiana tax court, the county assessor or township assessor making the assessment has the burden of proving that the real property's true tax value:

- (1) is the lowest valuation determined by applying the three appraisal approaches identified in subsection (a); and**
- (2) is substantially correct.**

If a county assessor or township assessor fails to meet the burden of proof under this subsection, the taxpayer may introduce evidence to prove a substantially correct assessment.

(g) If neither the assessing official nor the taxpayer meets its burden of proof and the prior year's assessment was lower than the assessment under review or appeal, the assessment reverts to the assessment for the prior tax year, which is the original assessment for that prior tax year or, if applicable, the assessment for that prior tax year:

- (1) as last corrected by an assessing official;**
- (2) as stipulated or settled by the taxpayer and the assessing official; or**
- (3) as determined by the reviewing authority.**

(h) In appeals where the taxpayer contends that the assessment should be greater than the assessment for the prior tax year, the final assessed value may not be less than the taxpayer's contention of value in the appeal.

(i) Subsections (f), (g), and (h) do not apply to an assessment if the assessment that is the subject of the review or appeal is based on:

- (1) substantial renovations or new improvements;**
- (2) zoning; or**
- (3) uses;**

that were not considered in the assessment for the prior tax year.

(j) As used in this section, "substantially correct" means:

- (1) for the assessor, that the assessor has proved that the value of the property is within five percent (5%) of the appealed assessment; and**
- (2) for the taxpayer, that the taxpayer has proved that the value of the property is within five percent (5%) of the**



taxpayer's contention of value.

SECTION 14. IC 6-1.1-8-27, AS AMENDED BY P.L.174-2022, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 27. (a) On or before July 1 **of each year, for years ending before January 1, 2017, and on or before June 15 for years beginning after December 31, 2016**, the department of local government finance shall certify to the county assessor and the county auditor of each county the distributable property assessed values which the department determines are distributable to the taxing districts of the county. In addition, if a public utility company has appealed the department of local government finance's assessment of the company's distributable property, the department shall notify the county auditor of the appeal.

(b) The county assessor shall review the department of local government finance's certification under subsection (a) to determine if any of a public utility company's property which has a definite situs in the county has been omitted. The county auditor shall enter for taxation the assessed valuation of a public utility company's distributable property which the department distributes to a taxing district of the county.

(c) The county assessor may exempt designated infrastructure development zone broadband assets. This includes the eligible broadband infrastructure assets located in a designated infrastructure development zone of a centrally assessed telephone company or cable company (as defined in section 2(15) of this chapter).

(d) A centrally assessed telephone company or cable company (as defined in section 2(15) of this chapter) that makes eligible infrastructure investments in a designated infrastructure development zone established under the provisions of IC 6-1.1-12.5-5 in facilities and technologies used:

- (1) in the deployment and transmission of broadband service;
- (2) in advanced services that increase the availability of broadband service;
- (3) in advanced service; or
- (4) under any combination of subdivisions (1), (2), or (3);

is exempt from property taxation as set forth under IC 6-1.1-12.5-5.

(e) Upon conclusion of the certification process by the department of local government finance under this section, the centrally assessed telephone company or cable company (as defined in section 2(15) of this chapter) shall produce and submit, not later than July 1 of each assessment year, an annual report to the county assessor that includes sufficient information necessary for the county assessor or county



auditor to identify the broadband infrastructure investments that are eligible to be exempt from property taxes.

(f) The county auditor shall reduce the department of local government finance's certified values for each applicable state assessed personal property record that qualifies for the exemption prior to the certification of the county's net assessed values to the department. This shall include the certified values for the centrally assessed telephone company or cable company (as defined in section 2(15) of this chapter.

SECTION 15. IC 6-1.1-8.1 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2023 (RETROACTIVE)]:

Chapter 8.1. Controlled Environment Agriculture Property

Sec. 1. This section applies to assessment dates after December 31, 2022.

Sec. 2. As used in this chapter, "controlled environment agriculture property" has the meaning set forth in IC 6-1.1-20.6-1.3.

Sec. 3. Land of controlled environment agricultural property shall be classified and assessed as agricultural, and the improvements shall be classified and assessed as an agricultural greenhouse.

SECTION 16. IC 6-1.1-10-16, AS AMENDED BY P.L.85-2019, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2024]: Sec. 16. (a) All or part of a building is exempt from property taxation if it is owned, occupied, and used by a person for educational, literary, scientific, religious, or charitable purposes.

(b) A building is exempt from property taxation if it is owned, occupied, and used by a town, city, township, or county for educational, literary, scientific, fraternal, or charitable purposes.

(c) A tract of land, including the campus and athletic grounds of an educational institution, is exempt from property taxation if:

(1) a building that is exempt under subsection (a) or (b) is situated on it;

(2) a parking lot or structure that serves a building referred to in subdivision (1) is situated on it; or

(3) the tract:

(A) is owned by a nonprofit entity established for the purpose of retaining and preserving land and water for their natural characteristics;

(B) does not exceed five hundred (500) acres; and

(C) is not used by the nonprofit entity to make a profit.

(d) A tract of land is exempt from property taxation if:



(1) it is purchased for the purpose of erecting a building that is to be owned, occupied, and used in such a manner that the building will be exempt under subsection (a) or (b); and

(2) not more than four (4) years after the property is purchased, and for each year after the four (4) year period, the owner demonstrates substantial progress and active pursuit towards the erection of the intended building and use of the tract for the exempt purpose. To establish substantial progress and active pursuit under this subdivision, the owner must prove the existence of factors such as the following:

(A) Organization of and activity by a building committee or other oversight group.

(B) Completion and filing of building plans with the appropriate local government authority.

(C) Cash reserves dedicated to the project of a sufficient amount to lead a reasonable individual to believe the actual construction can and will begin within four (4) years.

(D) The breaking of ground and the beginning of actual construction.

(E) Any other factor that would lead a reasonable individual to believe that construction of the building is an active plan and that the building is capable of being completed within eight (8) years considering the circumstances of the owner.

If the owner of the property sells, leases, or otherwise transfers a tract of land that is exempt under this subsection, the owner is liable for the property taxes that were not imposed upon the tract of land during the period beginning January 1 of the fourth year following the purchase of the property and ending on December 31 of the year of the sale, lease, or transfer. The county auditor of the county in which the tract of land is located may establish an installment plan for the repayment of taxes due under this subsection. The plan established by the county auditor may allow the repayment of the taxes over a period of years equal to the number of years for which property taxes must be repaid under this subsection.

(e) Personal property is exempt from property taxation if it is owned and used in such a manner that it would be exempt under subsection (a) or (b) if it were a building.

(f) A hospital's property that is exempt from property taxation under subsection (a), (b), or (e) shall remain exempt from property taxation even if the property is used in part to furnish goods or services to another hospital whose property qualifies for exemption under this section.



(g) Property owned by a shared hospital services organization that is exempt from federal income taxation under Section 501(c)(3) or 501(e) of the Internal Revenue Code is exempt from property taxation if it is owned, occupied, and used exclusively to furnish goods or services to a hospital whose property is exempt from property taxation under subsection (a), (b), or (e).

(h) This section does not exempt from property tax an office or a practice of a physician or group of physicians that is owned by a hospital licensed under IC 16-21-2 or other property that is not substantially related to or supportive of the inpatient facility of the hospital unless the office, practice, or other property:

- (1) provides or supports the provision of charity care (as defined in IC 16-18-2-52.5), including providing funds or other financial support for health care services for individuals who are indigent (as defined in IC 16-18-2-52.5(b) and IC 16-18-2-52.5(c)); or
- (2) provides or supports the provision of community benefits (as defined in IC 16-21-9-1), including research, education, or government sponsored indigent health care (as defined in IC 16-21-9-2).

However, participation in the Medicaid or Medicare program alone does not entitle an office, practice, or other property described in this subsection to an exemption under this section.

(i) A tract of land or a tract of land plus all or part of a structure on the land is exempt from property taxation if:

- (1) the tract is acquired for the purpose of erecting, renovating, or improving a single family residential structure that is to be given away or sold:
 - (A) in a charitable manner;
 - (B) by a nonprofit organization; and
 - (C) to low income individuals who will:
 - (i) use the land as a family residence; and
 - (ii) not have an exemption for the land under this section;
- (2) the tract does not exceed three (3) acres; and
- (3) the tract of land or the tract of land plus all or part of a structure on the land is not used for profit while exempt under this section.

(j) An exemption under subsection (i) terminates when the property is conveyed by the nonprofit organization to another owner.

(k) When property that is exempt in any year under subsection (i) is conveyed to another owner, the nonprofit organization receiving the exemption must file a certified statement with the auditor of the county, notifying the auditor of the change not later than sixty (60) days after



the date of the conveyance. The county auditor shall immediately forward a copy of the certified statement to the county assessor. A nonprofit organization that fails to file the statement required by this subsection is liable for the amount of property taxes due on the property conveyed if it were not for the exemption allowed under this chapter.

(l) If property is granted an exemption in any year under subsection (i) and the owner:

(1) fails to transfer the tangible property within eight (8) years after the assessment date for which the exemption is initially granted; or

(2) transfers the tangible property to a person who:

(A) is not a low income individual; or

(B) does not use the transferred property as a residence for at least one (1) year after the property is transferred;

the person receiving the exemption shall notify the county recorder and the county auditor of the county in which the property is located not later than sixty (60) days after the event described in subdivision (1) or (2) occurs. The county auditor shall immediately inform the county assessor of a notification received under this subsection.

(m) If subsection (l)(1) or (l)(2) applies, the owner shall pay, not later than the date that the next installment of property taxes is due, an amount equal to the sum of the following:

(1) The total property taxes that, if it were not for the exemption under subsection (i), would have been levied on the property in each year in which an exemption was allowed.

(2) Interest on the property taxes at the rate of ten percent (10%) per year.

(n) The liability imposed by subsection (m) is a lien upon the property receiving the exemption under subsection (i). An amount collected under subsection (m) shall be collected as an excess levy. If the amount is not paid, it shall be collected in the same manner that delinquent taxes on real property are collected.

(o) Property referred to in this section shall be assessed to the extent required under IC 6-1.1-11-9.

(p) A for-profit provider of early childhood education services to children who are at least four (4) but less than six (6) years of age on the annual assessment date may receive the exemption provided by this section for property used for educational purposes only if all the requirements of section 46 of this chapter are satisfied. A for-profit provider of early childhood education services that provides the services only to children younger than four (4) years of age may not



1 receive the exemption provided by this section for property used for
2 educational purposes.

3 **(q) Tangible property is exempt from property taxation if it is:**

4 **(1) owned by a nonprofit entity; and**

5 **(2) used by a nonprofit entity for a charitable purpose in the**
6 **operation of a residential facility for the aged that is either:**

7 **(A) registered as a continuing care retirement community**
8 **under IC 23-2-4; or**

9 **(B) licensed as a health care facility under IC 16-28;**

10 **or both.**

11 SECTION 17. IC 6-1.1-10-27 IS AMENDED TO READ AS
12 FOLLOWS [EFFECTIVE JANUARY 1, 2023 (RETROACTIVE)]:

13 Sec. 27. (a) Subject to the limitations contained in subsections (b) and
14 (c), the following tangible property is exempt from property taxation if
15 it is owned by a cemetery corporation, firm, **or not-for-profit**
16 **corporation, or** association which is organized under the laws of this
17 state, **a church, or a religious society:**

18 (1) The real property, including mausoleums and other structures
19 in which human remains are buried or interred but not including
20 crematories, funeral homes, offices, or maintenance structures.
21 However, **crematories, funeral homes,** offices, and maintenance
22 structures are exempt if they are owned by, or held in trust for the
23 use of, a church or religious society, or if they are owned by a
24 not-for-profit corporation or association.

25 (2) The personal property which is used exclusively in the
26 establishment, operation, administration, preservation, repair, or
27 maintenance of the cemetery, **funeral home, or crematory.**

28 (b) The exemption under subsection (a) does not apply to real
29 property unless:

30 (1) it has been dedicated or platted for cemetery, **crematory, or**
31 **funeral home use, or a variance has been granted for one (1)**
32 **or more of those uses;**

33 (2) a plat of it **or variance from the plat** has been recorded in the
34 county in which the property is located; and

35 (3) it is exclusively used for cemetery, **or** burial, **crematory, or**
36 **funeral** purposes.

37 (c) The exemption under subsection (a) does not apply to personal
38 property unless it is used exclusively for cemetery, **funeral home, or**
39 **crematory** purposes and:

40 (1) it is owned by, or held in trust for the use of, a church or
41 religious society; or

42 (2) it is owned by a not-for-profit corporation or association.



SECTION 18. IC 6-1.1-12-35.5, AS AMENDED BY P.L.257-2019, SECTION 27, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 35.5. (a) Except as provided in section 36 or 44 of this chapter and subject to section 45 of this chapter, a person who desires to claim the deduction provided by section 33 or 34 of this chapter must file a certified statement in duplicate, on forms prescribed by the department of local government finance and proof of certification under subsection (b) with the auditor of the county in which the property for which the deduction is claimed is subject to assessment. To obtain the deduction for a desired calendar year in which property taxes are first due and payable, the person must complete and date the certified statement in the immediately preceding calendar year and file the certified statement with the county auditor on or before January 5 of the calendar year in which the property taxes are first due and payable. The statement may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing. On verification of the statement by the assessor of the township in which the property for which the deduction is claimed is subject to assessment, or the county assessor if there is no township assessor for the township, the county auditor shall allow the deduction.

(b) The department of environmental management, upon application by a property owner, shall determine whether a system or device qualifies for a deduction provided by section 33 or 34 of this chapter. If the department determines that a system or device qualifies for a deduction, it shall certify the system or device and provide proof of the certification to the property owner. The department shall prescribe the form and manner of the certification process required by this subsection.

(c) If the department of environmental management receives an application for certification, the department shall determine whether the system or device qualifies for a deduction. If the department fails to make a determination under this subsection before December 31 of the year in which the application is received, the system or device is considered certified.

(d) A denial of a deduction claimed under section 33 or 34 of this chapter may be appealed as provided in IC 6-1.1-15. The appeal is limited to a review of a determination made by the township assessor county property tax assessment board of appeals, or department of local government finance.

(e) Notwithstanding any other law, if there is a change in ownership of real property, or a mobile home that is not assessed as real property:



1 (1) that is equipped with a geothermal energy heating or
2 cooling device; and

3 (2) whose previous owner received a property tax deduction
4 under section 34 of this chapter for the geothermal energy
5 heating or cooling device prior to the change in ownership;
6 the new owner shall be eligible for the property tax deduction
7 following the change in ownership and, in subsequent taxable
8 years, shall not be required to obtain a determination of
9 qualification from the department of environmental management
10 under subsection (b) and shall not be required to file a certified
11 statement of qualification with the county auditor under subsection
12 (a) to remain eligible for the property tax deduction.

13 SECTION 19. IC 6-1.1-12-37, AS AMENDED BY P.L.174-2022,
14 SECTION 22, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
15 JULY 1, 2023]: Sec. 37. (a) The following definitions apply throughout
16 this section:

17 (1) "Dwelling" means any of the following:

18 (A) Residential real property improvements that an individual
19 uses as the individual's residence, including a house or garage.

20 (B) A mobile home that is not assessed as real property that an
21 individual uses as the individual's residence.

22 (C) A manufactured home that is not assessed as real property
23 that an individual uses as the individual's residence.

24 (2) "Homestead" means an individual's principal place of
25 residence:

26 (A) that is located in Indiana;

27 (B) that:

28 (i) the individual owns;

29 (ii) the individual is buying under a contract recorded in the
30 county recorder's office, or evidenced by a memorandum of
31 contract recorded in the county recorder's office under
32 IC 36-2-11-20, that provides that the individual is to pay the
33 property taxes on the residence, and that obligates the owner
34 to convey title to the individual upon completion of all of the
35 individual's contract obligations;

36 (iii) the individual is entitled to occupy as a
37 tenant-stockholder (as defined in 26 U.S.C. 216) of a
38 cooperative housing corporation (as defined in 26 U.S.C.
39 216); or

40 (iv) is a residence described in section 17.9 of this chapter
41 that is owned by a trust if the individual is an individual
42 described in section 17.9 of this chapter; and



- 1 (C) that consists of a dwelling and the real estate, not
 2 exceeding one (1) acre, that immediately surrounds that
 3 dwelling.
- 4 Except as provided in subsection (k), the term does not include
 5 property owned by a corporation, partnership, limited liability
 6 company, or other entity not described in this subdivision.
- 7 (b) Each year a homestead is eligible for a standard deduction from
 8 the assessed value of the homestead for an assessment date. Except as
 9 provided in subsection (p), the deduction provided by this section
 10 applies to property taxes first due and payable for an assessment date
 11 only if an individual has an interest in the homestead described in
 12 subsection (a)(2)(B) on:
- 13 (1) the assessment date; or
 14 (2) any date in the same year after an assessment date that a
 15 statement is filed under subsection (e) or section 44 of this
 16 chapter, if the property consists of real property.
- 17 If more than one (1) individual or entity qualifies property as a
 18 homestead under subsection (a)(2)(B) for an assessment date, only one
 19 (1) standard deduction from the assessed value of the homestead may
 20 be applied for the assessment date. Subject to subsection (c), the
 21 auditor of the county shall record and make the deduction for the
 22 individual or entity qualifying for the deduction.
- 23 (c) Except as provided in section 40.5 of this chapter, the total
 24 amount of the deduction that a person may receive under this section
 25 for a particular year is the lesser of:
- 26 (1) sixty percent (60%) of the assessed value of the real property,
 27 mobile home not assessed as real property, or manufactured home
 28 not assessed as real property; or
 29 (2) for assessment dates:
- 30 (A) before January 1, 2023, forty-five thousand dollars
 31 (\$45,000); or
 32 (B) after December 31, 2022, forty-eight thousand dollars
 33 (\$48,000).
- 34 (d) A person who has sold real property, a mobile home not assessed
 35 as real property, or a manufactured home not assessed as real property
 36 to another person under a contract that provides that the contract buyer
 37 is to pay the property taxes on the real property, mobile home, or
 38 manufactured home may not claim the deduction provided under this
 39 section with respect to that real property, mobile home, or
 40 manufactured home.
- 41 (e) Except as provided in sections 17.8 and 44 of this chapter and
 42 subject to section 45 of this chapter, an individual who desires to claim



the deduction provided by this section must file a certified statement on forms prescribed by the department of local government finance, with the auditor of the county in which the homestead is located. The statement must include:

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

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

(3) the names of:

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

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

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

if the applicant is an individual; or

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

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

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

if the applicant is not an individual; and

(4) either:

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

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

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

(ii) The last five (5) digits of the individual's state identification card number.

(iii) The last five (5) digits of a preparer tax identification number that is obtained by the individual through the Internal Revenue Service of the United States.

(iv) If the individual does not have a driver's license, a state



1 identification card, or an Internal Revenue Service preparer
 2 tax identification number, the last five (5) digits of a control
 3 number that is on a document issued to the individual by the
 4 United States government.

5 If a form or statement provided to the county auditor under this section,
 6 IC 6-1.1-22-8.1, or IC 6-1.1-22.5-12 includes the telephone number or
 7 part or all of the Social Security number of a party or other number
 8 described in subdivision (4)(B) of a party, the telephone number and
 9 the Social Security number or other number described in subdivision
 10 (4)(B) included are confidential. The statement may be filed in person
 11 or by mail. If the statement is mailed, the mailing must be postmarked
 12 on or before the last day for filing. The statement applies for that first
 13 year and any succeeding year for which the deduction is allowed. To
 14 obtain the deduction for a desired calendar year in which property taxes
 15 are first due and payable, the statement must be completed and dated
 16 in the immediately preceding calendar year and filed with the county
 17 auditor on or before January 5 of the calendar year in which the
 18 property taxes are first due and payable.

19 (f) Except as provided in subsection (n), if a person who is
 20 receiving, or seeks to receive, the deduction provided by this section in
 21 the person's name:

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

25 (2) is not eligible for a deduction under this section because the
 26 person is already receiving:

27 (A) a deduction under this section in the person's name as an
 28 individual or a spouse; or

29 (B) a deduction under the law of another state that is
 30 equivalent to the deduction provided by this section;

31 the person must file a certified statement with the auditor of the county,
 32 notifying the auditor of the person's ineligibility, not more than sixty
 33 (60) days after the date of the change in eligibility. A person who fails
 34 to file the statement required by this subsection may, under
 35 IC 6-1.1-36-17, be liable for any additional taxes that would have been
 36 due on the property if the person had filed the statement as required by
 37 this subsection plus a civil penalty equal to ten percent (10%) of the
 38 additional taxes due. The civil penalty imposed under this subsection
 39 is in addition to any interest and penalties for a delinquent payment that
 40 might otherwise be due. One percent (1%) of the total civil penalty
 41 collected under this subsection shall be transferred by the county to the
 42 department of local government finance for use by the department in



1 establishing and maintaining the homestead property data base under
 2 subsection (i) and, to the extent there is money remaining, for any other
 3 purposes of the department. This amount becomes part of the property
 4 tax liability for purposes of this article.

5 (g) The department of local government finance may adopt rules or
 6 guidelines concerning the application for a deduction under this
 7 section.

8 (h) This subsection does not apply to property in the first year for
 9 which a deduction is claimed under this section if the sole reason that
 10 a deduction is claimed on other property is that the individual or
 11 married couple maintained a principal residence at the other property
 12 on the assessment date in the same year in which an application for a
 13 deduction is filed under this section or, if the application is for a
 14 homestead that is assessed as personal property, on the assessment date
 15 in the immediately preceding year and the individual or married couple
 16 is moving the individual's or married couple's principal residence to the
 17 property that is the subject of the application. Except as provided in
 18 subsection (n), the county auditor may not grant an individual or a
 19 married couple a deduction under this section if:

20 (1) the individual or married couple, for the same year, claims the
 21 deduction on two (2) or more different applications for the
 22 deduction; and

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

24 (i) The department of local government finance shall provide secure
 25 access to county auditors to a homestead property data base that
 26 includes access to the homestead owner's name and the numbers
 27 required from the homestead owner under subsection (e)(4) for the sole
 28 purpose of verifying whether an owner is wrongly claiming a deduction
 29 under this chapter or a credit under IC 6-1.1-20.4, IC 6-1.1-20.6, or
 30 IC 6-3.6-5 (after December 31, 2016). Each county auditor shall submit
 31 data on deductions applicable to the current tax year on or before
 32 March 15 of each year in a manner prescribed by the department of
 33 local government finance.

34 (j) A county auditor may require an individual to provide evidence
 35 proving that the individual's residence is the individual's principal place
 36 of residence as claimed in the certified statement filed under subsection
 37 (e). The county auditor may limit the evidence that an individual is
 38 required to submit to a state income tax return, a valid driver's license,
 39 or a valid voter registration card showing that the residence for which
 40 the deduction is claimed is the individual's principal place of residence.
 41 **The county auditor may not deny an application filed under section**
 42 **44 of this chapter because the applicant does not have a valid**



1 **driver's license or state identification card with the address of the**
 2 **homestead property.** The department of local government finance
 3 shall work with county auditors to develop procedures to determine
 4 whether a property owner that is claiming a standard deduction or
 5 homestead credit is not eligible for the standard deduction or
 6 homestead credit because the property owner's principal place of
 7 residence is outside Indiana.

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

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

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

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

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

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

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

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

24 (2) first due and payable in 2010;

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

31 (m) For assessment dates after 2009, the term "homestead" includes:

32 (1) a deck or patio;

33 (2) a gazebo; or

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

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

38 (n) A county auditor shall grant an individual a deduction under this
 39 section regardless of whether the individual and the individual's spouse
 40 claim a deduction on two (2) different applications and each
 41 application claims a deduction for different property if the property
 42 owned by the individual's spouse is located outside Indiana and the



individual files an affidavit with the county auditor containing the following information:

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

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

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

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

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

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

(o) If:

(1) a property owner files a statement under subsection (e) to claim the deduction provided by this section for a particular property; and

(2) the county auditor receiving the filed statement determines that the property owner's property is not eligible for the deduction; the county auditor shall inform the property owner of the county auditor's determination in writing. If a property owner's property is not eligible for the deduction because the county auditor has determined that the property is not the property owner's principal place of residence, the property owner may appeal the county auditor's determination as provided in IC 6-1.1-15. The county auditor shall inform the property owner of the owner's right to appeal when the county auditor informs the property owner of the county auditor's determination under this subsection.

(p) An individual is entitled to the deduction under this section for a homestead for a particular assessment date if:

(1) either:

(A) the individual's interest in the homestead as described in



- 1 subsection (a)(2)(B) is conveyed to the individual after the
- 2 assessment date, but within the calendar year in which the
- 3 assessment date occurs; or
- 4 (B) the individual contracts to purchase the homestead after
- 5 the assessment date, but within the calendar year in which the
- 6 assessment date occurs;
- 7 (2) on the assessment date:
- 8 (A) the property on which the homestead is currently located
- 9 was vacant land; or
- 10 (B) the construction of the dwelling that constitutes the
- 11 homestead was not completed; and
- 12 (3) either:
- 13 (A) the individual files the certified statement required by
- 14 subsection (e); or
- 15 (B) a sales disclosure form that meets the requirements of
- 16 section 44 of this chapter is submitted to the county assessor
- 17 on or before December 31 of the calendar year for the
- 18 individual's purchase of the homestead.

19 An individual who satisfies the requirements of subdivisions (1)
 20 through (3) is entitled to the deduction under this section for the
 21 homestead for the assessment date, even if on the assessment date the
 22 property on which the homestead is currently located was vacant land
 23 or the construction of the dwelling that constitutes the homestead was
 24 not completed. The county auditor shall apply the deduction for the
 25 assessment date and for the assessment date in any later year in which
 26 the homestead remains eligible for the deduction. A homestead that
 27 qualifies for the deduction under this section as provided in this
 28 subsection is considered a homestead for purposes of section 37.5 of
 29 this chapter and IC 6-1.1-20.6.

30 (q) This subsection applies to an application for the deduction
 31 provided by this section that is filed for an assessment date occurring
 32 after December 31, 2013. Notwithstanding any other provision of this
 33 section, an individual buying a mobile home that is not assessed as real
 34 property or a manufactured home that is not assessed as real property
 35 under a contract providing that the individual is to pay the property
 36 taxes on the mobile home or manufactured home is not entitled to the
 37 deduction provided by this section unless the parties to the contract
 38 comply with IC 9-17-6-17.

39 (r) This subsection:
 40 (1) applies to an application for the deduction provided by this
 41 section that is filed for an assessment date occurring after
 42 December 31, 2013; and



(2) does not apply to an individual described in subsection (q).
 The owner of a mobile home that is not assessed as real property or a
 manufactured home that is not assessed as real property must attach a
 copy of the owner's title to the mobile home or manufactured home to
 the application for the deduction provided by this section.

(s) For assessment dates after 2013, the term "homestead" includes
 property that is owned by an individual who:

(1) is serving on active duty in any branch of the armed forces of
 the United States;

(2) was ordered to transfer to a location outside Indiana; and

(3) was otherwise eligible, without regard to this subsection, for
 the deduction under this section for the property for the
 assessment date immediately preceding the transfer date specified
 in the order described in subdivision (2).

For property to qualify under this subsection for the deduction provided
 by this section, the individual described in subdivisions (1) through (3)
 must submit to the county auditor a copy of the individual's transfer
 orders or other information sufficient to show that the individual was
 ordered to transfer to a location outside Indiana. The property continues
 to qualify for the deduction provided by this section until the individual
 ceases to be on active duty, the property is sold, or the individual's
 ownership interest is otherwise terminated, whichever occurs first.
 Notwithstanding subsection (a)(2), the property remains a homestead
 regardless of whether the property continues to be the individual's
 principal place of residence after the individual transfers to a location
 outside Indiana. The property continues to qualify as a homestead
 under this subsection if the property is leased while the individual is
 away from Indiana and is serving on active duty, if the individual has
 lived at the property at any time during the past ten (10) years.
 Otherwise, the property ceases to qualify as a homestead under this
 subsection if the property is leased while the individual is away from
 Indiana. Property that qualifies as a homestead under this subsection
 shall also be construed as a homestead for purposes of section 37.5 of
 this chapter.

SECTION 20. IC 6-1.1-12-44, AS AMENDED BY P.L.87-2009,
 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 JULY 1, 2023]: Sec. 44. (a) A sales disclosure form under IC 6-1.1-5.5:

(1) that is submitted:

(A) as a paper form; or

(B) electronically;

on or before December 31 of a calendar year to the county
 assessor by or on behalf of the purchaser of a homestead (as



defined in section 37 of this chapter) assessed as real property;
 (2) that is accurate and complete;
 (3) that is approved by the county assessor as eligible for filing
 with the county auditor; and
 (4) that is filed:

- (A) as a paper form; or
- (B) electronically;

with the county auditor by or on behalf of the purchaser;
 constitutes an application for the deductions provided by sections 26,
 29, 33, 34, and 37 of this chapter with respect to property taxes first
 due and payable in the calendar year that immediately succeeds the
 calendar year referred to in subdivision (1). **The county auditor may
 not deny an application for the deductions provided by section 37
 of this chapter because the applicant does not have a valid driver's
 license or state identification card with the address of the
 homestead property.**

(b) Except as provided in subsection (c), if:

- (1) the county auditor receives in a calendar year a sales
 disclosure form that meets the requirements of subsection (a); and
 - (2) the homestead for which the sales disclosure form is submitted
 is otherwise eligible for a deduction referred to in subsection (a);
- the county auditor shall apply the deduction to the homestead for
 property taxes first due and payable in the calendar year for which the
 homestead qualifies under subsection (a) and in any later year in which
 the homestead remains eligible for the deduction.

(c) Subsection (b) does not apply if the county auditor, after
 receiving a sales disclosure form from or on behalf of a purchaser
 under subsection (a)(4), determines that the homestead is ineligible for
 the deduction.

SECTION 21. IC 6-1.1-15-1.2, AS AMENDED BY P.L.121-2019,
 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 JULY 1, 2023]: Sec. 1.2. (a) A county or township official who
 receives a written notice under section 1.1 of this chapter shall
 schedule, at a time during business hours that is convenient to the
 taxpayer, a preliminary informal meeting with the taxpayer in order to
 resolve the appeal. If the taxpayer raises a claim regarding a matter that
 is in the discretion of the county auditor, the informal meeting must
 include the county auditor. At the preliminary informal meeting, in
 order to facilitate understanding and the resolution of disputed issues,
 a county or township official, the county auditor, if the matter is in the
 discretion of the county auditor, and the taxpayer shall exchange the
 information that each party is relying on at the time of the preliminary



1 informal meeting to support the party's respective position on each
 2 disputed issue concerning the assessment or deduction. If additional
 3 information is obtained by the county or township official, the county
 4 auditor, or the taxpayer after the preliminary informal meeting and
 5 before the hearing held by the county board, the party obtaining the
 6 information shall provide the information to the other party. If the
 7 county or township official, the county auditor, or the taxpayer obtains
 8 additional information and provides the information to the other party
 9 for the first time at the hearing held by the county board, the county
 10 board, unless waived by the receiving party, shall continue the hearing
 11 until a future hearing date of the county board so that the receiving
 12 party has an opportunity to review all the information that the offering
 13 party is relying on to support the offering party's positions on the
 14 disputed issues concerning the assessment or deduction.

15 (b) The official shall report on a form prescribed by the department
 16 of local government finance the results of the informal meeting. If the
 17 taxpayer and the official agree on the resolution of all issues in the
 18 appeal, the report shall state the agreed resolution of the matter and be
 19 signed by the official and the taxpayer. If an informal meeting is not
 20 held, or the informal meeting is unsuccessful, the official shall report
 21 those facts on the form. The official shall forward the report on the
 22 informal meeting to the county board.

23 (c) If the county board receives a report on the informal meeting
 24 indicating an agreed resolution of the matter, the county board shall
 25 vote to accept or deny the agreed resolution. If the county board accepts
 26 the agreed resolution, the county board shall issue a notification of final
 27 assessment determination adopting the agreed resolution and vacating
 28 the hearing if scheduled.

29 (d) The county board, upon receipt of a written notice under section
 30 1.1 of this chapter, shall hold a hearing on the appeal not later than one
 31 hundred eighty (180) days after the filing date of the written notice.
 32 The county board shall, by mail, give at least thirty (30) days notice of
 33 the date, time, and place fixed for the hearing to the taxpayer, the
 34 county or township official with whom the taxpayer filed the written
 35 notice, and the county auditor. If the county board has notice that the
 36 taxpayer is represented by a third person, any hearing notice shall be
 37 mailed to the representative.

38 (e) If good cause is shown, the county board shall grant a request for
 39 continuance filed in writing at least ten (10) days before the hearing,
 40 and reschedule the hearing under subsection (d).

41 (f) A taxpayer may withdraw an appeal by filing a written request
 42 at least ten (10) days before the hearing. The county board shall issue



1 a notification of final assessment determination indicating the
 2 withdrawal and no change in the assessment. A withdrawal waives a
 3 taxpayer's right to appeal to the Indiana board.

4 (g) The county board shall determine an appeal without a hearing if
 5 requested by the taxpayer in writing at least twenty (20) days before the
 6 hearing.

7 (h) If a taxpayer appeals the assessment of tangible property under
 8 section 1.1 of this chapter, the taxpayer is not required to have an
 9 appraisal of the property in order to initiate the appeal or prosecute the
 10 appeal.

11 (i) At a hearing under subsection (d), the taxpayer shall have the
 12 opportunity to present testimony and evidence regarding the matters on
 13 appeal. If the matters on appeal are in the discretion of the county
 14 auditor, the county auditor or the county auditor's representative shall
 15 attend the hearing. A county or township official, or the county auditor
 16 or the county auditor's representative, shall have an opportunity to
 17 present testimony and evidence regarding the matters on appeal. The
 18 county board may adjourn and continue the hearing to a later date in
 19 order to make a physical inspection or consider the evidence presented.

20 (j) The county board shall determine the assessment by motion and
 21 majority vote. **Except as provided in subsection (m),** a county board
 22 may, based on the evidence before it, increase an assessment. The
 23 county board shall issue a written decision. Written notice of the
 24 decision shall be given to the township official, county official, county
 25 auditor, and the taxpayer.

26 (k) If more than one hundred eighty (180) days have passed since
 27 the date the notice of appeal was filed, and the county board has not
 28 issued a determination, a taxpayer may initiate any appeal with the
 29 Indiana board of tax review under section 3 of this chapter.

30 (l) The county assessor may assess a penalty of fifty dollars (\$50)
 31 against the taxpayer if the taxpayer or representative fails to appear at
 32 a hearing under subsection (d) and, under subsection (e), the taxpayer's
 33 request for continuance is denied, or the taxpayer's request for
 34 continuance, request for the board to take action without a hearing, or
 35 withdrawal is not timely filed. A taxpayer may appeal the assessment
 36 of the penalty to the Indiana board or directly to the tax court. The
 37 penalty may not be added as an amount owed on the property tax
 38 statement under IC 6-1.1-22 or IC 6-1.1-22.5.

39 **(m) This subsection applies only to the determination of an**
 40 **appealed assessed value of:**

41 **(1) a taxpayer's tangible property that has been granted a**
 42 **standard deduction under IC 6-1.1-12-37, without regard to**



1 the tangible property's appealed assessed value; or
 2 (2) any other tangible property with an appealed assessed
 3 value that is not more than two million dollars (\$2,000,000)
 4 and is not otherwise described in subdivision (1).

5 The determination of an appealed assessed value of tangible
 6 property to which this subsection applies by a county or township
 7 official resulting from an informal meeting under subsection (a), or
 8 by a county board resulting from an appeal hearing under
 9 subsection (d), may be less than or equal to the tangible property's
 10 original appealed assessed value at issue, but may not exceed the
 11 original appealed assessed value at issue.

12 SECTION 22. IC 6-1.1-15-4, AS AMENDED BY P.L.156-2020,
 13 SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 14 JULY 1, 2023]: Sec. 4. (a) After receiving a petition for review which
 15 is filed under section 3 of this chapter, the Indiana board shall conduct
 16 a hearing at its earliest opportunity. The Indiana board may correct any
 17 errors related to a claim under section 1.1 of this chapter that is within
 18 the jurisdiction of the Indiana board under IC 6-1.5-4-1.

19 (b) If the Indiana board conducts a site inspection of the property as
 20 part of its review of the petition, the Indiana board shall give notice to
 21 all parties of the date and time of the site inspection. The Indiana board
 22 is not required to assess the property in question. The Indiana board
 23 shall give notice of the date fixed for the hearing, by mail, to the parties
 24 or a party's representative. The Indiana board shall give these notices
 25 at least thirty (30) days before the day fixed for the hearing unless the
 26 parties agree to a shorter period. With respect to a petition for review
 27 filed by a county assessor, the county board that made the
 28 determination under review under this section may file an amicus
 29 curiae brief in the review proceeding under this section. The expenses
 30 incurred by the county board in filing the amicus curiae brief shall be
 31 paid from the property reassessment fund under IC 6-1.1-4-27.5 of the
 32 county in which the property is located. The executive of a taxing unit
 33 may file an amicus curiae brief in the review proceeding under this
 34 section if the property that is the subject of the appeal is subject to
 35 assessment by that taxing unit.

36 (c) If a petition for review does not comply with the Indiana board's
 37 instructions for completing the form prescribed under section 3 of this
 38 chapter, the Indiana board shall return the petition to the petitioner and
 39 include a notice describing the defect in the petition. The petitioner
 40 then has thirty (30) days from the date on the notice to cure the defect
 41 and file a corrected petition. The Indiana board shall deny a corrected
 42 petition for review if it does not substantially comply with the Indiana



board's instructions for completing the form prescribed under section 3 of this chapter.

(d) After the hearing, the Indiana board shall give the parties and any entity that filed an amicus curiae brief, or their representatives:

(1) notice, by mail, of its final determination; and

(2) for parties entitled to appeal the final determination, notice of the procedures they must follow in order to obtain court review under section 5 of this chapter.

(e) The Indiana board shall conduct a hearing not later than one (1) year after a petition in proper form is filed with the Indiana board.

(f) The Indiana board shall issue a determination not later than the later of:

(1) ninety (90) days after the hearing; or

(2) the date set in an extension order issued by the Indiana board.

The board may not extend the date by more than one hundred eighty (180) days.

(g) The time periods described in subsections (e) and (f) do not include any period of time that is attributable to a party's:

(1) request for a continuance, stay, extension, or summary disposition;

(2) consent to a case management order, stipulated record, or proposed hearing date;

(3) failure to comply with the board's orders or rules; or

(4) waiver of a deadline.

(h) If the Indiana board fails to take action required under subsection (e) or (f), the entity that initiated the petition may:

(1) take no action and wait for the Indiana board to hear the matter and issue a final determination; or

(2) petition for judicial review under section 5 of this chapter.

(i) This subsection applies when the board has not held a hearing. A person may not seek judicial review under subsection (h)(2) until:

(1) the person requests a hearing in writing; and

(2) sixty (60) days have passed after the person requests a hearing under subdivision (1) and the matter has not been heard or otherwise extended under subsection (g).

(j) A final determination must include separately stated findings of fact for all aspects of the determination. Findings of ultimate fact must be accompanied by a concise statement of the underlying basic facts of record to support the findings. Findings must be based exclusively upon the evidence on the record in the proceeding and on matters officially noticed in the proceeding. Findings must be based upon a preponderance of the evidence.



(k) The Indiana board may limit the scope of the appeal to the issues raised in the petition and the evaluation of the evidence presented to the county board in support of those issues only if all parties participating in the hearing required under subsection (a) agree to the limitation. A party participating in the hearing required under subsection (a) is entitled to introduce evidence that is otherwise proper and admissible without regard to whether that evidence has previously been introduced at a hearing before the county board.

(l) The Indiana board may require the parties to the appeal:

(1) to file not more than five (5) business days before the date of the hearing required under subsection (a) documentary evidence or summaries of statements of testimonial evidence; and

(2) to file not more than fifteen (15) business days before the date of the hearing required under subsection (a) lists of witnesses and exhibits to be introduced at the hearing.

(m) A party to a proceeding before the Indiana board shall provide to all other parties to the proceeding the information described in subsection (l) if the other party requests the information in writing at least ten (10) days before the deadline for filing of the information under subsection (l).

(n) The Indiana board may base its final determination on a stipulation between the respondent and the petitioner. If the final determination is based on a stipulated assessed valuation of tangible property, the Indiana board may order the placement of a notation on the permanent assessment record of the tangible property that the assessed valuation was determined by stipulation. The Indiana board may:

(1) order that a final determination under this subsection has no precedential value; or

(2) specify a limited precedential value of a final determination under this subsection.

(o) If a party to a proceeding, or a party's authorized representative, elects to receive any notice under this section by electronic mail, the notice is considered effective in the same manner as if the notice had been sent by United States mail, with postage prepaid, to the party's or representative's mailing address of record.

(p) At a hearing under this section, the Indiana board shall admit into evidence an appraisal report, prepared by an appraiser, unless the appraisal report is ruled inadmissible on grounds besides a hearsay objection. This exception to the hearsay rule shall not be construed to limit the discretion of the Indiana board, as trier of fact, to review the probative value of an appraisal report.



1 **(q) This subsection applies only to the determination of an**
 2 **appealed assessed value of:**

3 **(1) a taxpayer's tangible property that has been granted a**
 4 **standard deduction under IC 6-1.1-12-37, without regard to**
 5 **the tangible property's appealed assessed value; or**

6 **(2) any other tangible property with an appealed assessed**
 7 **value that is not more than two million dollars (\$2,000,000)**
 8 **and is not otherwise described in subdivision (1).**

9 **The determination of an appealed assessed value of tangible**
 10 **property to which this subsection applies by the Indiana board**
 11 **resulting from an appeal hearing under this section may be less**
 12 **than or equal to the tangible property's original appealed assessed**
 13 **value at issue, but may not exceed the original appealed assessed**
 14 **value at issue.**

15 SECTION 23. IC 6-1.1-17-1, AS AMENDED BY P.L.174-2022,
 16 SECTION 35, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 17 JULY 1, 2023]: Sec. 1. (a) On or before August 1 of each year, the
 18 county auditor shall submit a certified statement of the assessed value
 19 for the ensuing year to the department of local government finance in
 20 the manner prescribed by the department.

21 (b) The department of local government finance shall make the
 22 certified statement available on the department's computer gateway.

23 (c) Subject to subsection (d), after the county auditor submits a
 24 certified statement under subsection (a) or an amended certified
 25 statement under this subsection with respect to a political subdivision
 26 and before the department of local government finance certifies its
 27 action with respect to the political subdivision under section 16(i) of
 28 this chapter, the county auditor may amend the information concerning
 29 assessed valuation included in the earlier certified statement. The
 30 county auditor shall submit a certified statement amended under this
 31 subsection to the department of local government finance not later than
 32 September 1 in the manner prescribed by the department.

33 (d) Before the county auditor makes an amendment under
 34 subsection (c), the county auditor must provide an opportunity for
 35 public comment on the proposed amendment at a public hearing. The
 36 county auditor must give notice of the hearing under IC 5-3-1. If the
 37 county auditor makes the amendment as a result of information
 38 provided to the county auditor by an assessor, the county auditor shall
 39 give notice of the public hearing to the assessor.

40 (e) Beginning in 2018, each county auditor shall submit to the
 41 department of local government finance parcel level data of certified
 42 net assessed values as required by the department. A county auditor



shall submit the parcel level data in the manner and format required by the department and according to a schedule determined by the department.

(f) When the county auditor submits the certified statement under subsection (a), the county auditor shall exclude the amount of assessed value for any property located in the county for which:

(1) an appeal has been filed under IC 6-1.1-15; and

(2) there is no final disposition of the appeal as of the date the county auditor submits the certified statement under subsection (a).

The county auditor may appeal to the department of local government finance to include the amount of assessed value under appeal within a taxing district for that calendar year.

SECTION 24. IC 6-1.1-18-28, AS ADDED BY P.L.154-2020, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2024]: Sec. 28. (a) The executive of a township may, upon approval by the township fiscal body, submit a petition to the department of local government finance for an increase in the township's maximum permissible ad valorem property tax levy for its township firefighting and emergency services fund under ~~IC 36-8-13-4~~ **IC 36-8-13-4(a)(1) or the levies for the township firefighting fund and township emergency services fund described in IC 36-8-13-4(a)(2), as applicable,** for property taxes first due and payable in 2021 or for any year thereafter for which a petition is submitted under this section.

(b) If the township submits a petition as provided in subsection (a) before August 1, 2020, or April 1 of a year, thereafter, the department of local government finance shall increase the township's maximum permissible ad valorem property tax levy for the township firefighting and emergency services fund under ~~IC 36-8-13-4~~ **IC 36-8-13-4(a)(1) or the combined levies for the township firefighting fund and township emergency services fund described in IC 36-8-13-4(a)(2), as applicable,** for property taxes first due and payable in the immediately succeeding year by using the following formula for purposes of subsection (c)(2):

STEP ONE: Determine the percentage increase in the population, as determined by the township fiscal body and as may be prescribed by the department of local government finance, that is within the fire protection and emergency services area of the township during the ten (10) year period immediately preceding the year in which the petition is submitted under subsection (a). The township fiscal body may use the most recently available



population data issued by the Bureau of the Census during the ten (10) year period immediately preceding the petition.

STEP TWO: Determine the greater of zero (0) or the result of:

(A) the STEP ONE percentage; minus

(B) six percent (6%);

expressed as a decimal.

STEP THREE: Determine a rate that is the lesser of:

(A) fifteen-hundredths (0.15); or

(B) the STEP TWO result.

STEP FOUR: Reduce the STEP THREE rate by any rate increase in the township's property tax rate **or rates** for its township firefighting **and emergency services** fund, **township firefighting fund, or township emergency services fund, as applicable**, within the immediately preceding ten (10) year period that was made based on a petition submitted by the township under this section.

(c) The township's maximum permissible ad valorem property tax levy for its township firefighting **and emergency services** fund under ~~IC 36-8-13-4~~ **IC 36-8-13-4(a)(1) or the combined levies for the township firefighting fund and township emergency services fund described in IC 36-8-13-4(a)(2)** for property taxes first due and payable in a given year, as adjusted under this section, shall be calculated as:

(1) the amount of the ad valorem property tax levy increase for the township firefighting **and emergency services** fund **under IC 36-8-13-4(a)(1) or the combined levies for the township firefighting fund and township emergency services fund described in IC 36-8-13-4(a)(2), as applicable**, without regard to this section; plus

(2) an amount equal to the result of:

(A) the rate determined under the formula in subsection (b); multiplied by

(B) the net assessed value of the fire protection and emergency services area divided by one hundred (100).

The calculation under this subsection shall be used in the determination of the township's maximum permissible ad valorem property tax levy under IC 36-8-13-4 for property taxes first due and payable in the first year of the increase and thereafter.

SECTION 25. IC 6-1.1-18-34 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: **Sec. 34. (a) Except as otherwise provided in this section, this section:**

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1 (1) does not apply until the expiration of IC 20-45-8 under
2 IC 20-45-8-29(a); and

3 (2) upon the expiration of IC 20-45-8 under IC 20-45-8-29(a)
4 applies only to a school corporation that has under its
5 jurisdiction any territory located in Dearborn County.

6 (b) Subject to subsection (c), the superintendent of a school
7 corporation may, after approval by the governing body of the
8 school corporation, and before September 1 of the year
9 immediately preceding the expiration of IC 20-45-8, submit a
10 petition to the department of local government finance requesting
11 an increase in the school corporation's maximum permissible ad
12 valorem property tax levy under IC 20-46-8-1 for its operations
13 fund for property taxes first due and payable in the year after the
14 expiration of IC 20-45-8.

15 (c) Before the governing body of the school corporation may
16 approve a petition under subsection (b), the governing body of the
17 school corporation must hold a public hearing on the petition. The
18 governing body of the school corporation shall give notice of the
19 public hearing under IC 5-3-1. At the public hearing, the governing
20 body of the school corporation shall make available to the public
21 the following:

22 (1) A fiscal plan describing the need for the increase to the
23 levy and the expenditures for which the revenue generated
24 from the increase to the levy will be used.

25 (2) A statement that the proposed increase will be a
26 permanent increase to the school corporation's maximum
27 permissible ad valorem property tax levy under IC 20-46-8-1
28 for its operations fund.

29 (3) The estimated effect of the proposed increase on
30 taxpayers.

31 (4) The anticipated property tax rates and levies for property
32 taxes first due and payable in the year after the expiration of
33 IC 20-45-8.

34 After the governing body of the school corporation approves the
35 petition, the school corporation shall immediately notify the other
36 civil taxing units and school corporations in the county that are
37 located in a taxing district where the school corporation is also
38 located.

39 (d) If the superintendent of a school corporation submits a
40 petition under subsection (b), the department of local government
41 finance shall increase the school corporation's maximum
42 permissible ad valorem property tax levy under IC 20-46-8-1 for



the operations fund for property taxes first due and payable in the year after the expiration of IC 20-45-8 by the amount of the distribution that the school corporation received in the year immediately preceding the expiration of IC 20-45-8, as determined by the department of local government finance.

(e) The school corporation's maximum permissible ad valorem property tax levy for property taxes first due and payable in the year after the expiration of IC 20-45-8, as adjusted under this section, shall be used in the determination of the school corporation's maximum permissible ad valorem property tax levy under IC 6-1.1-18.5 for property taxes first due and payable in the year following the year after the expiration of IC 20-45-8 and thereafter.

SECTION 26. IC 6-1.1-18.5-1, AS AMENDED BY P.L.197-2016, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2024]: Sec. 1. As used in this chapter:

"Ad valorem property tax levy for an ensuing calendar year" means the total property taxes imposed by a civil taxing unit for current property taxes collectible in that ensuing calendar year. **However, if a township elects to establish both a township firefighting levy and a township emergency services levy under IC 36-8-13-4(b)(2), the township firefighting levy and township emergency services levy shall be combined and considered as a single levy for purposes of this chapter.**

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

"Maximum permissible ad valorem property tax levy for the preceding calendar year" means, for purposes of determining a maximum permissible ad valorem property tax levy under section 3 of this chapter for property taxes imposed for an assessment date after January 15, 2011, ~~the term means~~ the civil taxing unit's maximum permissible ad valorem property tax levy for the calendar year immediately preceding the ensuing calendar year, as that levy was determined under section 3 of this chapter (regardless of whether the taxing unit imposed the entire amount of the maximum permissible ad valorem property tax levy in the immediately preceding year).

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

SECTION 27. IC 6-1.1-18.5-21, AS AMENDED BY



P.L.182-2009(ss), SECTION 138, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 21. (a) A civil taxing unit may determine that the ad valorem property tax levy limits imposed by section 3 of this chapter do not apply to all or part of the ad valorem property taxes imposed to repay a loan under either or both of the following:

(1) IC 6-1.1-21.3.

(2) IC 6-1.1-21.9.

(b) This subsection applies to a civil taxing unit or school corporation located in Lake County that has received or is receiving a loan under IC 6-1.1-22.1. The ad valorem property tax levy limits imposed in section 3 of this chapter do not apply to all or part of the ad valorem property taxes imposed to repay a loan under IC 6-1.1-22.1 for the ensuing calendar year if:

(1) the civil taxing unit or school corporation provides to the department the information the department considers necessary to determine the amount of ad valorem property taxes imposed to repay the loan in the ensuing calendar year; and

(2) the information described in subdivision (1) is provided to the department not later than December 1 of the year preceding the ensuing calendar year.

SECTION 28. IC 6-1.1-18.5-25, AS AMENDED BY P.L.159-2020, SECTION 39, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 25. (a) The ad valorem property tax levy limits imposed under section 3 of this chapter do not apply to a municipality in a year if all the following apply:

(1) The percentage growth in the municipality's assessed value for the preceding year compared to the year before the preceding year is at least two (2) times the maximum levy growth quotient determined under section 2 of this chapter for the preceding year.

(2) The municipality's population increased by at least one hundred fifty percent (150%) between the last two (2) decennial censuses. **The computation of an increase of one hundred fifty percent (150%) under this subdivision shall be determined according to the last STEP of the following STEPS:**

STEP ONE: Determine the municipality's population as tabulated following the first decennial census.

STEP TWO: Determine municipality's population as tabulated following the second decennial census.

STEP THREE: Multiply the amount determined under STEP ONE by a factor of two and five-tenths (2.5).



STEP FOUR: Determine whether the population determined under STEP TWO is greater than or equal to the STEP THREE product.

(b) A municipality that meets all the requirements under subsection (a) may increase its ad valorem property tax levy in excess of the limits imposed under section 3 of this chapter by a percentage equal to the lesser of:

- (1) the percentage growth in the municipality's assessed value for the preceding year compared to the year before the preceding year; or
- (2) six percent (6%).

(c) A municipality's maximum levy growth that results from either annexation or the pass through of assessed value from a tax increment financing district may not be included for the purposes of determining a municipality's maximum levy growth under this section.

(d) This section applies to property tax levies imposed after December 31, 2016.

SECTION 29. IC 6-1.1-18.5-28, AS ADDED BY P.L.174-2022, SECTION 38, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 28. (a) This section applies only to the Sugar Creek Township Fire Protection District in Vigo County.

(b) Subject to subsection (c), the executive of a district described in subsection (a) may, after approval by the fiscal body of the district, and before August 1, ~~2022~~, **2023**, submit a petition to the department of local government finance requesting an increase in the district's maximum permissible ad valorem property tax levy for property taxes first due and payable in ~~2023~~. **2024**.

(c) Before the fiscal body of the district may approve a petition under subsection (b), the fiscal body of the district shall hold a public hearing on the petition. The fiscal body shall give notice of the public hearing under IC 5-3-1. At the public hearing, the fiscal body shall make available to the public the following:

- (1) A fiscal plan describing the need for the increase to the levy and the expenditures for which the revenue generated from the increase to the levy will be used.
- (2) A statement that the proposed increase will be a permanent increase to the district's maximum permissible ad valorem property tax levy.
- (3) The estimated effect of the proposed increase on taxpayers.

After the fiscal body approves the petition, the district shall immediately notify the other civil taxing units and school corporations in the county that are located in a taxing district where the district is



also located.

(d) If the executive of the district submits a petition under subsection (b), the department of local government finance shall increase the maximum permissible ad valorem property tax levy for property taxes first due and payable in ~~2023~~ **2024** by not more than one hundred ~~fifty~~ thousand dollars (~~\$100,000~~). (**\$150,000**).

(e) The district's maximum permissible ad valorem property tax levy for property taxes first due and payable in ~~2023~~, **2024**, as adjusted under this section, shall be used in the determination of the district's maximum permissible ad valorem property tax levy under IC 6-1.1-18.5 for property taxed first due and payable in ~~2024~~ **2025** and thereafter.

(f) This section expires June 30, ~~2026~~. **2028**.

SECTION 30. IC 6-1.1-18.5-29, AS ADDED BY P.L.174-2022, SECTION 39, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 29. (a) This section applies only to the Otter Creek Township in Vigo County.

(b) Subject to subsection (c), the executive of a township described in subsection (a) may, after approval by the fiscal body of the township, and before August 1, ~~2022~~, **2023**, submit a petition to the department of local government finance requesting an increase in the township's maximum permissible ad valorem property tax levy for property taxes first due and payable in ~~2023~~. **2024**.

(c) Before the fiscal body of the township may approve a petition under subsection (b), the fiscal body of the township shall hold a public hearing on the petition. The fiscal body shall give notice of the public hearing under IC 5-3-1. At the public hearing, the fiscal body shall make available to the public the following:

(1) A fiscal plan describing the need for the increase to the levy and the expenditures for which the revenue generated from the increase to the levy will be used.

(2) A statement that the proposed increase will be a permanent increase to the township's maximum permissible ad valorem property tax levy.

(3) The estimated effect of the proposed increase on taxpayers.

After the fiscal body approves the petition, the township shall immediately notify the other civil taxing units and school corporations in the county that are located in a taxing district where the township is also located.

(d) If the executive of the township submits a petition under subsection (b), the department of local government finance shall increase the maximum permissible ad valorem property tax levy for



property taxes first due and payable in 2023 by not more than ~~seventy-five~~ **one hundred** thousand dollars (~~\$75,000~~). (**\$100,000**).

(e) The township's maximum permissible ad valorem property tax levy for property taxes first due and payable in ~~2023~~, **2024**, as adjusted under this section, shall be used in the determination of the township's maximum permissible ad valorem property tax levy under IC 6-1.1-18.5 for property taxes first due and payable in ~~2024~~ **2025** and thereafter.

(f) This section expires June 30, ~~2026~~. **2028**.

SECTION 31. IC 6-1.1-20-1.1, AS AMENDED BY P.L.32-2021, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 1.1. As used in this chapter, "controlled project" means any project financed by bonds or a lease, except for the following:

(1) A project for which the political subdivision reasonably expects to pay:

(A) debt service; or

(B) lease rentals;

from funds other than property taxes that are exempt from the levy limitations of IC 6-1.1-18.5 or (before January 1, 2009) IC 20-45-3. A project is not a controlled project even though the political subdivision has pledged to levy property taxes to pay the debt service or lease rentals if those other funds are insufficient.

(2) A project that will not cost the political subdivision more than the lesser of the following:

(A) An amount equal to the following:

(i) In the case of an ordinance or resolution adopted before January 1, 2018, making a preliminary determination to issue bonds or enter into a lease for the project, two million dollars (\$2,000,000).

(ii) In the case of an ordinance or resolution adopted after December 31, 2017, and before January 1, 2019, making a preliminary determination to issue bonds or enter into a lease for the project, five million dollars (\$5,000,000).

(iii) In the case of an ordinance or resolution adopted in a calendar year after December 31, 2018, making a preliminary determination to issue bonds or enter into a lease for the project, an amount (as determined by the department of local government finance) equal to the result of the maximum levy growth quotient determined under IC 6-1.1-18.5-2 for the year multiplied by the amount determined under this clause for the preceding calendar



- 1 year.
- 2 The department of local government finance shall publish the
- 3 threshold determined under item (iii) in the Indiana Register
- 4 under IC 4-22-7-7 not more than sixty (60) days after the date
- 5 the budget agency releases the maximum levy growth quotient
- 6 for the ensuing year under IC 6-1.1-18.5-2.
- 7 (B) An amount equal to the following:
- 8 (i) One percent (1%) of the total gross assessed value of
- 9 property within the political subdivision on the last
- 10 assessment date, if that total gross assessed value is more
- 11 than one hundred million dollars (\$100,000,000).
- 12 (ii) One million dollars (\$1,000,000), if the total gross
- 13 assessed value of property within the political subdivision
- 14 on the last assessment date is not more than one hundred
- 15 million dollars (\$100,000,000).
- 16 (3) A project that is being refinanced for the purpose of providing
- 17 gross or net present value savings to taxpayers.
- 18 (4) A project for which bonds were issued or leases were entered
- 19 into before January 1, 1996, or where the state board of tax
- 20 commissioners has approved the issuance of bonds or the
- 21 execution of leases before January 1, 1996.
- 22 (5) A project that:
- 23 (A) is required by a court order holding that a federal law
- 24 mandates the project; or
- 25 (B) is in response to a court order holding that:
- 26 (i) a federal law has been violated; and
- 27 (ii) the project is to address the deficiency or violation.
- 28 (6) A project that is in response to:
- 29 (A) a natural disaster;
- 30 (B) an accident; or
- 31 (C) an emergency;
- 32 in the political subdivision that makes a building or facility
- 33 unavailable for its intended use.
- 34 (7) A project that was not a controlled project under this section
- 35 as in effect on June 30, 2008, and for which:
- 36 (A) the bonds or lease for the project were issued or entered
- 37 into before July 1, 2008; or
- 38 (B) the issuance of the bonds or the execution of the lease for
- 39 the project was approved by the department of local
- 40 government finance before July 1, 2008.
- 41 (8) A project of the Little Calumet River basin development
- 42 commission for which bonds are payable from special



assessments collected under IC 14-13-2-18.6.

(9) A project for engineering, land and right-of-way acquisition, construction, resurfacing, maintenance, restoration, and rehabilitation exclusively for or of:

(A) local road and street systems, including bridges that are designated as being in a local road and street system;

(B) arterial road and street systems, including bridges that are designated as being in an arterial road and street system; or

(C) any combination of local and arterial road and street systems, including designated bridges.

SECTION 32. IC 6-1.1-20.6-1.3 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2023 (RETROACTIVE)]: **Sec. 1.3. As used in this chapter, "controlled environment agriculture property" means land and improvements of an agricultural greenhouse that is used to produce fresh vegetables, fruits, or other agricultural produce grown indoors under climate-controlled conditions, year-round, and for commercial purposes.**

SECTION 33. IC 6-1.1-20.6-1.7 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2023 (RETROACTIVE)]: **Sec. 1.7. As used in this chapter, "health care property" means property that is:**

(1) a hospital licensed under IC 16-21; or

(2) long term care property.

SECTION 34. IC 6-1.1-20.6-7.5, AS AMENDED BY P.L.205-2013, SECTION 77, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2023 (RETROACTIVE)]: **Sec. 7.5. (a) A person is entitled to a credit against the person's property tax liability for property taxes first due and payable after 2009. The amount of the credit is the amount by which the person's property tax liability attributable to the person's:**

(1) homestead exceeds one percent (1%);

(2) residential property exceeds two percent (2%);

(3) ~~long term health~~ care property exceeds two percent (2%);

(4) agricultural land exceeds two percent (2%);

(5) controlled environment agriculture property exceeds two percent (2%);

~~(5)~~ (6) nonresidential real property exceeds three percent (3%); or

~~(6)~~ (7) personal property exceeds three percent (3%);

of the gross assessed value of the property that is the basis for determination of property taxes for that calendar year.



(b) This subsection applies to property taxes first due and payable after 2009. Property taxes imposed after being approved by the voters in a referendum or local public question shall not be considered for purposes of calculating a person's credit under this section.

(c) This subsection applies to property taxes first due and payable after 2009. As used in this subsection, "eligible county" means only a county for which the general assembly determines in 2008 that limits to property tax liability under this chapter are expected to reduce in 2010 the aggregate property tax revenue that would otherwise be collected by all units of local government and school corporations in the county by at least twenty percent (20%). Property taxes imposed in an eligible county:

(1) to pay debt service:

(A) on bonds issued before July 1, 2008; or

(B) on bonds that:

(i) are issued to refund bonds originally issued before July 1, 2008; and

(ii) have a maturity date that is not later than the maturity date of the bonds refunded;

(2) to make lease payments on leases entered into before July 1, 2008, to secure bonds;

(3) to make lease payments on leases:

(A) that are amended to refund bonds secured by leases entered into before July 1, 2008; and

(B) that have a term that is not longer than the term of the leases amended; or

(4) to make lease payments on leases:

(A) that secure bonds:

(i) issued to refund bonds originally issued before July 1, 2008; and

(ii) that have a maturity date that is not later than the maturity date of the bonds refunded; and

(B) that have a term that ends not later than the maturity date of the bonds refunded;

shall not be considered for purposes of calculating a person's credit under this section.

SECTION 35. IC 6-1.1-20.6-9.9, AS AMENDED BY P.L.238-2019, SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 9.9. (a) **This subsection applies to credits allocated before January 1, 2024. If:**

(1) a school corporation after July 1, 2016, issues new bonds or enters into a new lease rental agreement for which the school



corporation is imposing or will impose a debt service levy other than:

(A) to refinance or renew prior bond or lease rental obligations existing before January 1, 2017; or

(B) indebtedness that is approved in a local public question or referendum under IC 6-1.1-20 or any other law; and

(2) the school corporation's:

(A) total debt service levy is greater than the school corporation's total debt service levy in 2016; and

(B) total debt service tax rate is greater than the school corporation's total debt service tax rate in 2016;

the school corporation is not eligible to allocate credits proportionately under this section.

(b) This subsection applies to credits allocated after December 31, 2023. A school corporation is not eligible to allocate credits proportionately under this section, if a school corporation after July 1, 2023, issues new bonds or enters into a new lease rental agreement for which the school corporation is imposing or will impose a debt service levy other than:

(1) to refinance or renew prior bond or lease rental obligations existing before January 1, 2024, but only if the refinancing or renewal is for a lower interest rate; or

(2) indebtedness that is approved in a local public question or referendum under IC 6-1.1-20 or any other law.

(c) Subject to subsection (a) (before January 1, 2024) and subsection (b) (after December 31, 2023), a school corporation is eligible to allocate credits proportionately under this section for 2019, 2020, 2021, 2022, or 2023, 2024, 2025, or 2026 if the school corporation's percentage computed under this subsection is at least ten percent (10%) for its operations fund levy as certified by the department of local government finance. A school corporation shall compute its percentage under this subsection as determined under the following formula:

STEP ONE: Determine the amount of credits granted under this chapter against the school corporation's levy for the school corporation's operations fund.

STEP TWO: Determine the amount of the school corporation's levy that is attributable to new debt incurred after June 30, 2019, but is not attributable to the debt service levy described in subsection (a)(1)(B) **(before January 1, 2024) or subsection (b)(2) (after December 31, 2023).**

STEP THREE: Determine the result of the school corporation's



total levy minus any referendum levy.

STEP FOUR: Subtract the STEP TWO amount from the STEP THREE amount.

STEP FIVE: Divide the STEP FOUR amount by the STEP THREE amount expressed as a percentage.

STEP SIX: Multiply the STEP ONE amount by the STEP FIVE percentage.

STEP SEVEN: Determine the school corporation's levy for the school corporation's operations fund.

STEP EIGHT: Divide the STEP SIX amount by the STEP SEVEN amount expressed as a percentage.

The computation must be made by taking into account the requirements of section 9.8 of this chapter regarding protected taxes and the impact of credits granted under this chapter on the revenue to be distributed to the school corporation's operations fund for the particular year.

~~(e)~~ **(d)** A school corporation that desires to be an eligible school corporation under this section must, before May 1 of the year for which it wants a determination, submit a written request for a certification by the department of local government finance that the computation of the school corporation's percentage under subsection ~~(b)~~ **(c)** is correct. The department of local government finance shall, not later than June 1 of that year, determine whether the percentage computed by the school corporation under subsection ~~(b)~~ **(c)** is accurate and certify whether the school corporation is eligible under this section.

~~(d)~~ **(e)** For a school corporation that is certified as eligible under this section, the school corporation may allocate the effect of the credits granted under this chapter proportionately among all the school corporation's property tax funds that are not exempt under section 7.5(b) or 7.5(c) of this chapter, based on the levy for each fund and without taking into account the requirements of section 9.8 of this chapter regarding protected taxes as determined under the following formula:

STEP ONE: Determine the product of:

(A) the percentage determined under STEP EIGHT of subsection ~~(b)~~ **(c)**; multiplied by

(B) five (5).

STEP TWO: Determine the lesser of the STEP ONE percentage or one hundred percent (100%).

STEP THREE: Determine the product of:

(A) the amount determined under STEP SIX of subsection ~~(b)~~ **(c)**; multiplied by

(B) the STEP TWO percentage.



The school corporation may allocate the amount of credits determined under STEP THREE proportionately under this section. The department of local government finance shall include in its certification of an eligible school corporation under subsection ~~(c)~~ **(d)** the amount of credits that the school corporation may allocate proportionately as determined under this subsection.

~~(c)~~ **(f)** This section expires January 1, ~~2024~~ **2027**.

SECTION 36. IC 6-1.1-21.3-3, AS ADDED BY P.L.182-2009(ss), SECTION 156, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 3. (a) The board, after review by the budget committee, shall determine the terms of a loan made under this chapter, subject to the following:

(1) The loan must be repaid not later than ten (10) years after the date on which the loan is made.

(2) The terms of the loan must allow for prepayment of the loan without penalty.

(3) The maximum amount of the loan that a qualified taxing unit may receive with respect to a default described in section 1(c)(3) of this chapter on one (1) or more payments of property taxes first due and payable in a calendar year is the amount, as determined by the board, of revenue shortfall for the qualified taxing unit that results from the default for that calendar year.

(b) The board may disburse in installments the proceeds of a loan made under this chapter.

(c) A qualified taxing unit may repay a loan made under this chapter from any of the following:

(1) Property tax revenues of the qualified taxing unit that are subject to the levy limitations imposed by IC 6-1.1-18.5.

(2) Property tax revenues of the qualified taxing unit that are not subject to levy limitations as provided in ~~IC 6-1.1-18.5-21~~.

IC 6-1.1-18.5-21(a).

(3) The qualified taxing unit's debt service fund.

(4) Any other source of revenues (other than property taxes) that is legally available to the qualified taxing unit.

The payment of any installment on a loan made under this chapter constitutes a first charge against the property tax revenues described in subdivision (1) or (2) that are collected by the qualified taxing unit during the calendar year the installment is due and payable.

(d) The obligation to repay a loan made under this chapter is not a basis for the qualified taxing unit to obtain an excessive tax levy under IC 6-1.1-18.5 or IC 20-44-3.

(e) Whenever the board receives a payment on a loan made under



1 this chapter, the board shall deposit the amount paid in the
2 counter-cyclical revenue and economic stabilization fund.

3 SECTION 37. IC 6-1.1-21.9-3, AS AMENDED BY P.L.1-2009,
4 SECTION 45, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
5 JULY 1, 2023]: Sec. 3. (a) The board, not later than December 31,
6 2009, and after review by the budget committee, shall determine the
7 terms of a loan made under this chapter, subject to the following:

8 (1) The board may not charge interest on the loan.

9 (2) The loan must be repaid not later than ten (10) years after the
10 date on which the loan was made.

11 (3) The terms of the loan must allow for prepayment of the loan
12 without penalty.

13 (4) The maximum amount of the loan that a qualifying taxing unit
14 may receive with respect to a default described in section 1(c)(3)
15 of this chapter on one (1) or more payments of property taxes first
16 due and payable in a calendar year is the amount, as determined
17 by the board, of revenue shortfall for the qualifying taxing unit
18 that results from the default for that calendar year.

19 (5) The total amount of all loans under this chapter for all
20 calendar years may not exceed thirteen million dollars
21 (\$13,000,000).

22 (b) The board may disburse in installments the proceeds of a loan
23 made under this chapter.

24 (c) A qualified taxing unit may repay a loan made under this chapter
25 from any of the following:

26 (1) Property tax revenues of the qualified taxing unit that are
27 subject to the levy limitations imposed by IC 6-1.1-18.5 or (before
28 January 1, 2009) IC 6-1.1-19.

29 (2) Property tax revenues of the qualified taxing unit that are not
30 subject to levy limitations as provided in ~~IC 6-1.1-18.5-21~~
31 **IC 6-1.1-18.5-21(a)** or (before January 1, 2009) IC 6-1.1-19-13.

32 (3) The qualified taxing unit's debt service fund.

33 (4) Any other source of revenues (other than property taxes) that
34 is legally available to the qualified taxing unit.

35 The payment of any installment on a loan made under this chapter
36 constitutes a first charge against the property tax revenues described in
37 subdivision (1) or (2) that are collected by the qualified taxing unit
38 during the calendar year the installment is due and payable.

39 (d) The obligation to repay a loan made under this chapter is not a
40 basis for the qualified taxing unit to obtain an excessive tax levy under
41 IC 6-1.1-18.5 or (before January 1, 2009) IC 6-1.1-19.

42 (e) Whenever the board receives a payment on a loan made under



1 this chapter, the board shall deposit the amount paid in the
2 counter-cyclical revenue and economic stabilization fund.

3 SECTION 38. IC 6-1.1-22.1 IS ADDED TO THE INDIANA CODE
4 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE
5 JULY 1, 2023]:

6 **Chapter 22.1. Loans to Qualified Taxing Units in Lake County**

7 **Sec. 1. As used in this chapter, "board" refers to the state board**
8 **of finance.**

9 **Sec. 2. As used in this chapter, "qualified taxing unit" means a**
10 **city, township, or school corporation located in Lake County that**
11 **experienced a property tax revenue shortfall in one (1) or more tax**
12 **years:**

13 (1) that resulted from erroneous assessed valuation figures
14 being provided to the city, township, or school corporation;
15 and

16 (2) for which the aggregate property tax revenue shortfall the
17 city, township, or school corporation experienced, or will
18 experience, is at least:

19 (A) five million dollars (\$5,000,000); or

20 (B) twenty percent (20%) of its net tax levy;

21 in any single tax year as a result of the erroneous assessed
22 valuation figures referred to in subdivision (1).

23 **Sec. 3. A qualified taxing unit, subject to the approval of the**
24 **fiscal body of the qualified taxing unit, may apply to the treasurer**
25 **of state for a loan from the counter-cyclical revenue and economic**
26 **stabilization fund.**

27 **Sec. 4. Subject to this chapter, the treasurer of state, after**
28 **review by the budget committee, shall determine the terms of any**
29 **loan made under this chapter.**

30 **Sec. 5. The treasurer of state may:**

31 (1) impose interest on a loan under this chapter at a rate
32 determined by the treasurer of state; or

33 (2) determine that no interest is required to be charged on a
34 loan under this chapter.

35 **Sec. 6. (a) The total amount of all loans under this chapter for**
36 **all calendar years may not exceed the total amount of property tax**
37 **revenue shortfall for all qualified taxing units that resulted from**
38 **erroneous assessed valuation amounts being provided to the**
39 **qualified taxing units, as determined by the treasurer of state.**

40 (b) The amount of loans provided under this chapter to a
41 qualified taxing unit may not exceed the remainder of:

42 (1) two percent (2%) of the true tax value of property in the



1 qualified taxing unit as of the date of the loan; minus
 2 (2) the amount of any loans previously received by the
 3 qualified taxing unit under this chapter, together with the
 4 amount of any other indebtedness of the qualified taxing unit
 5 regardless of the nature of the indebtedness, other than items
 6 payable out of current expenses.

7 (c) The qualified taxing unit may use the proceeds of a loan
 8 under this chapter to refund any bonds of the qualified taxing unit
 9 previously issued to offset the qualified taxing unit's property tax
 10 revenue shortfall.

11 Sec. 7. If a qualified taxing unit receives a loan under this
 12 chapter, the qualified taxing unit must repay the loan within
 13 twenty-five (25) years after the date on which the loan is made. No
 14 penalty may be imposed for repaying a loan under this chapter
 15 before the term of the loan expires.

16 Sec. 8. The treasurer of state may disburse in installments the
 17 proceeds of a loan made under this chapter.

18 Sec. 9. A qualified taxing unit may repay a loan under this
 19 chapter from any source or sources of revenue.

20 Sec. 10. An obligation to repay a loan made under this chapter
 21 is not a basis for the qualified taxing unit to obtain an excessive tax
 22 levy.

23 Sec. 11. When the treasurer of state receives a payment with
 24 respect to a loan under this chapter, the state treasurer shall
 25 deposit the amount received in the counter-cyclical revenue and
 26 economic stabilization fund.

27 Sec. 12. The proceeds of a loan under this chapter received by
 28 an eligible taxing unit are not considered to be part of the ad
 29 valorem property tax levy actually collected by the qualified taxing
 30 unit for taxes first due and payable during a particular calendar
 31 year for the purpose of calculating levy excess.

32 Sec. 13. Notes associated with loans under this chapter, and the
 33 authorization, issuance, sale, and delivery of the notes, are not
 34 subject to any general statute concerning obligations issued by the
 35 local governmental entity borrower. This chapter contains full and
 36 complete authority for the making of a loan under this chapter, the
 37 authorization, issuance, sale, and delivery of a note associated with
 38 a loan made under this chapter, and repayment of the loan by the
 39 borrower. No law, procedure, proceeding, publication, notice,
 40 consent, approval, order, or act by any officer, department, agency,
 41 or instrument of the state, or of any political subdivision, is
 42 required to make a loan under this chapter, issue a note associated



1 with a loan under this chapter, or repay a loan, except as
2 prescribed under this chapter.

3 **Sec. 14. Upon the failure of a qualified taxing unit to make any**
4 **of the qualified taxing unit's payments on a loan granted under this**
5 **chapter when due, the treasurer of state, upon being notified of the**
6 **failure by the board, may pay the unpaid amount that is due from**
7 **the funds held by the state that would otherwise be distributable to**
8 **the qualified taxing unit.**

9 **Sec. 15. A loan under this chapter is not bonded indebtedness**
10 **for purposes of IC 6-1.1-18.5 or IC 6-1.1-20.**

11 SECTION 39. IC 6-1.1-28-1, AS AMENDED BY P.L.86-2018,
12 SECTION 59, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
13 JULY 1, 2023]: Sec. 1. (a) This section applies only to a county that is
14 not participating in a multiple county property tax assessment board of
15 appeals.

16 (b) Each county shall have a county property tax assessment board
17 of appeals composed of individuals who are at least eighteen (18) years
18 of age and knowledgeable in the valuation of property. At the election
19 of the board of commissioners of the county, a county property tax
20 assessment board of appeals may consist of three (3) or five (5)
21 members appointed in accordance with this section.

22 (c) This subsection applies to a county in which the board of
23 commissioners elects to have a five (5) member county property tax
24 assessment board of appeals. In addition to the county assessor, only
25 one (1) other individual who is an officer or employee of a county or
26 township may serve on the board of appeals in the county in which the
27 individual is an officer or employee. Subject to subsections (h) and (i),
28 the fiscal body of the county shall appoint two (2) individuals to the
29 board. At least one (1) of the members appointed by the county fiscal
30 body must be a certified level two or level three assessor-appraiser. The
31 fiscal body may waive the requirement in this subsection that one (1)
32 of the members appointed by the fiscal body must be a certified level
33 two or level three assessor-appraiser. Subject to subsections (h) and (i),
34 the board of commissioners of the county shall appoint three (3)
35 freehold members so that not more than three (3) of the five (5)
36 members may be of the same political party and so that at least three
37 (3) of the five (5) members are residents of the county. At least one (1)
38 of the members appointed by the board of county commissioners must
39 be a certified level two or level three assessor-appraiser. The board of
40 county commissioners may waive the requirement in this subsection
41 that one (1) of the freehold members appointed by the board of county
42 commissioners must be a certified level two or level three



1 assessor-appraiser.

2 (d) This subsection applies to a county in which the board of
3 commissioners elects to have a three (3) member county property tax
4 assessment board of appeals. In addition to the county assessor, only
5 one (1) other individual who is an officer or employee of a county or
6 township may serve on the board of appeals in the county in which the
7 individual is an officer or employee. Subject to subsections (h) and (i),
8 the fiscal body of the county shall appoint one (1) individual to the
9 board. The member appointed by the county fiscal body must be a
10 certified level two or level three assessor-appraiser. The fiscal body
11 may waive the requirement in this subsection that the member
12 appointed by the fiscal body must be a certified level two or level three
13 assessor-appraiser. Subject to subsections (e) and (f), the board of
14 commissioners of the county shall appoint two (2) freehold members
15 so that not more than two (2) of the three (3) members may be of the
16 same political party and so that at least two (2) of the three (3)
17 members are residents of the county. At least one (1) of the members
18 appointed by the board of county commissioners must be a certified
19 level two or level three assessor-appraiser. The board of county
20 commissioners may waive the requirement in this subsection that one
21 (1) of the freehold members appointed by the board of county
22 commissioners must be a certified level two or level three
23 assessor-appraiser.

24 (e) A person appointed to a property tax assessment board of
25 appeals may serve on the property tax assessment board of appeals of
26 another county at the same time. The members of the board shall elect
27 a president. The employees of the county assessor shall provide
28 administrative support to the property tax assessment board of appeals.
29 The county assessor is a nonvoting member of the property tax
30 assessment board of appeals. The county assessor shall serve as
31 secretary of the board. The secretary shall keep full and accurate
32 minutes of the proceedings of the board. A majority of the board ~~that~~
33 ~~includes at least one (1) certified level two or level three~~
34 ~~assessor-appraiser~~ constitutes a quorum for the transaction of business.
35 Any question properly before the board may be decided by the
36 agreement of a majority of the whole board.

37 (f) The county assessor, county fiscal body, and board of county
38 commissioners may agree to waive the requirement in subsection (c)
39 or (d) that not more than three (3) of the five (5) or two (2) of the three
40 (3) members of the county property tax assessment board of appeals
41 may be of the same political party if it is necessary to waive the
42 requirement due to the absence of certified level two or level three



1 Indiana assessor-appraisers:

- 2 (1) who are willing to serve on the board; and
 3 (2) whose political party membership status would satisfy the
 4 requirement in subsection (c) or (d).

5 (g) If the board of county commissioners is not able to identify at
 6 least two (2) prospective freehold members of the county property tax
 7 assessment board of appeals who are:

- 8 (1) residents of the county;
 9 (2) certified level two or level three Indiana assessor-appraisers;
 10 and
 11 (3) willing to serve on the county property tax assessment board
 12 of appeals;

13 it is not necessary that at least three (3) of the five (5) or two (2) of the
 14 three (3) members of the county property tax assessment board of
 15 appeals be residents of the county.

16 (h) Except as provided in subsection (i), the term of a member of the
 17 county property tax assessment board of appeals appointed under this
 18 section:

- 19 (1) is one (1) year; and
 20 (2) begins January 1.

21 (i) If:

- 22 (1) the term of a member of the county property tax assessment
 23 board of appeals appointed under this section expires;
 24 (2) the member is not reappointed; and
 25 (3) a successor is not appointed;

26 the term of the member continues until a successor is appointed.

27 (j) An:

- 28 (1) employee of the township assessor or county assessor; or
 29 (2) appraiser, as defined in IC 6-1.1-31.7-1;

30 may not serve as a voting member of a county property tax assessment
 31 board of appeals in a county where the employee or appraiser is
 32 employed.

33 SECTION 40. IC 6-1.1-30-14, AS AMENDED BY P.L.219-2007,
 34 SECTION 74, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 35 JULY 1, 2023]: Sec. 14. The department of local government finance:

- 36 (1) shall see that the property taxes due this state are collected;
 37 **(2) shall ensure that property taxes levied by political**
 38 **subdivisions are timely billed and mailed under the provisions**
 39 **of this article;**
 40 **(3) shall ensure that assessments of properties under this**
 41 **article are uniform and equal;**
 42 **(4) shall ensure that the restrictions on budgets and levies**



prescribed under this article are enforced;

~~(2)~~ **(5)** shall ~~see~~ **ensure** that the penalties prescribed under this article are enforced;

~~(3)~~ **(6)** shall investigate the property tax laws and systems of other states and countries;

~~(4)~~ **(7)** for assessment dates after December 31, 2008, shall conduct all ratio studies required for:

(A) equalization under 50 IAC 14; and

(B) annual adjustments under 50 IAC 21; and

~~(5)~~ **(8)** may recommend changes in this state's property tax laws to the general assembly.

SECTION 41. IC 6-1.1-31-2, AS AMENDED BY P.L.203-2016, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 2. (a) The department of local government finance may:

(1) adopt rules in the manner prescribed in IC 4-22-2; and

(2) prescribe forms, including property tax forms, property tax returns, and notice forms.

(b) The department of local government finance may, through the Indiana archives and records administration, amend at any time the forms that the department of local government finance prescribes under this ~~section~~ **article**.

(c) The department of local government finance may enforce the use of forms that the department of local government finance prescribes under this ~~section~~ **article**.

(d) The department of local government finance may enforce the manner of submission for forms that the department of local government finance prescribes under this article.

~~(d)~~ **(e)** Forms that were prescribed by the department of local government finance and approved by the Indiana archives and records administration before July 1, 2016, are legalized and validated.

SECTION 42. IC 6-1.1-33.5-1 IS REPEALED [EFFECTIVE JULY 1, 2023]. ~~Sec. 1. A division of the department of local government finance is established; to be known as the division of data analysis.~~

SECTION 43. IC 6-1.1-33.5-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 2. ~~The division of data analysis~~ **department of local government finance** shall do the following:

(1) Compile an electronic data base that includes the following:

(A) The local government data base.

(B) Information on sales of real and personal property, including nonconfidential information from sales disclosure



- 1 forms filed under IC 6-1.1-5.5.
- 2 (C) Personal property assessed values and data entries on
- 3 personal property return forms.
- 4 (D) Real property assessed values and data entries on real
- 5 property assessment records.
- 6 (E) Information on property tax exemptions, deductions, and
- 7 credits.
- 8 (F) Any other data relevant to the accurate determination of
- 9 real property and personal property tax assessments.
- 10 (2) Make available to each county and township software that
- 11 permits the transfer of the data described in subdivision (1) to the
- 12 ~~division~~ **department of local government finance** in a uniform
- 13 format through a secure connection over the Internet.
- 14 (3) Analyze the data compiled under this section for the purpose
- 15 of performing the functions under section 3 of this chapter.
- 16 (4) Conduct continuing studies of personal and real property tax
- 17 deductions, abatement, and exemptions used throughout Indiana.
- 18 The ~~division of data analysis~~ **department of local government**
- 19 **finance** shall, before May 1 of each even-numbered year, report
- 20 on the studies at a meeting of the budget committee and submit a
- 21 report on the studies to the legislative services agency for
- 22 distribution to the members of the legislative council. The report
- 23 must be in an electronic format under IC 5-14-6.
- 24 SECTION 44. IC 6-1.1-33.5-3, AS AMENDED BY P.L.203-2016,
- 25 SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 26 JULY 1, 2023]: Sec. 3. The ~~division of data analysis~~ **department of**
- 27 **local government finance** shall:
- 28 (1) conduct continuing studies in the areas in which the
- 29 department of local government finance operates;
- 30 (2) make periodic field surveys and audits of:
- 31 (A) tax rolls;
- 32 (B) plat books;
- 33 (C) building permits;
- 34 (D) real estate transfers; and
- 35 (E) other data that may be useful in checking property
- 36 valuations or taxpayer returns;
- 37 (3) assist with the department of local government finance's test
- 38 checks of property valuations to serve as the basis for special
- 39 reassessments under this article;
- 40 (4) assist with the department of local government finance's
- 41 review of each coefficient of dispersion study for each township
- 42 and county;



(5) assist with the department of local government finance's review of each sales assessment ratio study for each township and county; and

(6) report annually to the executive director of the legislative services agency, in an electronic format under IC 5-14-6, the information obtained or determined under this section for use by the executive director and the general assembly, including:

(A) all information obtained by the ~~division of data analysis~~ **department of local government finance** from units of local government; and

(B) all information included in:

(i) the local government data base; and

(ii) any other data compiled by the ~~division of data analysis~~ **department of local government finance**.

SECTION 45. IC 6-1.1-33.5-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 4. To perform its duties, the ~~division of data analysis~~ **department of local government finance** may do the following:

(1) Request access to any local or state official records.

(2) Secure information from the federal government or from public or private agencies.

(3) Inspect a person's books, records, or property.

(4) Conduct a review of either all or a random sampling of personal or real property assessments.

(5) Employ professional appraisal firms to assist in making test checks of property valuations.

(6) Recommend changes in property tax administration.

(7) Use any other device or technique to equalize tax burdens or to implement this chapter.

SECTION 46. IC 6-1.1-33.5-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 5. Information that has been provided to the legislative services agency or the ~~division of data analysis~~ **department of local government finance** by the federal government or by a public agency is subject to the provider's rules, if any, that concern the confidential nature of the information.

SECTION 47. IC 6-1.1-33.5-6, AS AMENDED BY P.L.86-2018, SECTION 62, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 6. (a) With respect to any township or county for any year, the department of local government finance may initiate a review to determine whether to order a special reassessment under this chapter. The review may apply to real property or personal property, or both.



(b) If the department of local government finance determines under subsection (a) to initiate a review with respect to the real property subject to reassessment under IC 6-1.1-4-4.2 within a township or county, or a portion of the real property within a township or county, ~~the division of data analysis of~~ the department **of local government finance** shall determine for the real property under consideration and for the township or county the variance between:

(1) the total assessed valuation of the real property within the township or county; and

(2) the total assessed valuation that would result if the real property within the township or county were valued in the manner provided by law.

(c) If the department of local government finance determines under subsection (a) to initiate a review with respect to the real property within a particular cycle under a county's reassessment plan prepared under IC 6-1.1-4-4.2 or a part of the real property within a cycle, ~~the division of data analysis of~~ the department **of local government finance** shall determine for the real property under consideration and for all groups of parcels within a particular cycle the variance between:

(1) the total assessed valuation of the real property within all groups of parcels within a particular cycle; and

(2) the total assessed valuation that would result if the real property within all groups of parcels within a particular cycle were valued in the manner provided by law.

(d) If the department of local government finance determines under subsection (a) to initiate a review with respect to personal property within a township or county, or a part of the personal property within a township or county, ~~the division of data analysis of~~ the department **of local government finance** shall determine for the personal property under consideration and for the township or county the variance between:

(1) the total assessed valuation of the personal property within the township or county; and

(2) the total assessed valuation that would result if the personal property within the township or county were valued in the manner provided by law.

(e) The determination of the department of local government finance under section 2 or 3 of this chapter must be based on a statistically valid assessment ratio study.

(f) If a determination of the department of local government finance to order a special reassessment under this chapter is based on a coefficient of dispersion study, the department shall publish the



coefficient of dispersion study for the township or county in accordance with IC 5-3-1-2(b).

(g) If:

(1) the variance determined under subsection (b), (c), or (d) exceeds twenty percent (20%); and

(2) the department of local government finance determines after holding hearings on the matter that a special reassessment should be conducted;

the department shall contract for a special reassessment to be conducted to correct the valuation of the property.

(h) If the variance determined under subsection (b), (c), or (d) is twenty percent (20%) or less, the department of local government finance shall determine whether to correct the valuation of the property under:

(1) IC 6-1.1-4-9 and IC 6-1.1-4-10; or

(2) IC 6-1.1-14.

(i) The department of local government finance shall give notice to a taxpayer, by individual notice or by publication at the discretion of the department, of a hearing concerning the department's intent to cause the assessment of the taxpayer's property to be adjusted under this section. The time fixed for the hearing must be at least ten (10) days after the day the notice is mailed or published. The department may conduct a single hearing under this section with respect to multiple properties. The notice must state:

(1) the time of the hearing;

(2) the location of the hearing; and

(3) that the purpose of the hearing is to hear taxpayers' comments and objections with respect to the department's intent to adjust the assessment of property under this chapter.

(j) If the department of local government finance determines after the hearing that the assessment of property should be adjusted under this chapter, the department shall:

(1) cause the assessment of the property to be adjusted;

(2) mail a certified notice of its final determination to the county auditor of the county in which the property is located; and

(3) notify the taxpayer as required under IC 6-1.1-14.

(k) A reassessment or adjustment may be made under this section only if the notice of the final determination is given to the taxpayer within the same period prescribed in IC 6-1.1-9-3 or IC 6-1.1-9-4.

(l) If the department of local government finance contracts for a special reassessment of property under this chapter, the department shall forward the bill for services of the reassessment contractor to the



1 county auditor, and the county shall pay the bill from the county
2 reassessment fund.

3 SECTION 48. IC 6-1.1-33.5-7, AS ADDED BY P.L.199-2005,
4 SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
5 JULY 1, 2023]: Sec. 7. (a) Not later than May 1 of each calendar year,
6 the ~~division of data analysis~~ **department of local government finance**
7 shall:

8 (1) prepare a report that includes:

9 (A) each political subdivision's total amount of expenditures
10 per person during the immediately preceding calendar year,
11 based on the political subdivision's population determined by
12 the most recent federal decennial census; and

13 (B) based on the information prepared for all political
14 subdivisions under clause (A), the highest, lowest, median,
15 and average amount of expenditures per person for each type
16 of political subdivision throughout Indiana;

17 (2) post the report on the web site maintained by the department
18 of local government finance; and

19 (3) file the report:

20 (A) with the governor; and

21 (B) in an electronic format under IC 5-14-6 with the general
22 assembly.

23 The report must be presented in a format that is understandable to the
24 average individual and that permits easy comparison of the information
25 prepared for each political subdivision under subdivision (1)(A) to the
26 statewide information prepared for that type of political subdivision
27 under subdivision (1)(B).

28 (b) The department of local government finance shall organize the
29 report under subsection (a) to present together the information derived
30 from each type of political subdivision.

31 SECTION 49. IC 6-1.1-35-2 IS AMENDED TO READ AS
32 FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 2. At least one (1)
33 representative of the department of local government finance shall visit
34 **or virtually meet with** each county in this state at least once each year.
35 During the visit, the representative of the department shall:

36 (1) gather information concerning complaints with and the
37 operation of the property tax laws;

38 (2) see that property tax officials are complying with this article;
39 and

40 (3) see that persons who violate this article are being punished.

41 SECTION 50. IC 6-1.1-35-9, AS AMENDED BY P.L.172-2011,
42 SECTION 47, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE



JULY 1, 2023]: Sec. 9. (a) All information that is related to earnings, income, profits, losses, or expenditures and that is:

(1) given by a person to:

(A) an assessing official;

(B) an employee of an assessing official; or

(C) an officer or employee of an entity that contracts with a board of county commissioners or a county assessor under IC 6-1.1-36-12; or

(2) acquired by:

(A) an assessing official;

(B) an employee of an assessing official; or

(C) an officer or employee of an entity that contracts with a board of county commissioners or a county assessor under IC 6-1.1-36-12;

in the performance of the person's duties;

is confidential. The assessed valuation of tangible property is a matter of public record and is thus not confidential. Confidential information may be disclosed only in a manner that is authorized under subsection (b), (c), (d), or (g).

(b) Confidential information may be disclosed to:

(1) an official or employee of:

(A) this state or another state;

(B) the United States; ~~or~~

(C) the county assessor;

(D) the county auditor; or

~~(E)~~ **(E)** an agency or subdivision of this state, another state, or the United States;

if the information is required in the performance of the official duties of the official or employee;

(2) an officer or employee of an entity that contracts with a board of county commissioners or a county assessor under IC 6-1.1-36-12 if the information is required in the performance of the official duties of the officer or employee; or

(3) a state educational institution in order to develop data required under IC 6-1.1-4-42.

(c) The following state agencies, or their authorized representatives, shall have access to the confidential farm property records and schedules that are on file in the office of a county assessor:

(1) The Indiana state board of animal health, in order to perform its duties concerning the discovery and eradication of farm animal diseases.

(2) The department of agricultural statistics of Purdue University,



1 in order to perform its duties concerning the compilation and
 2 dissemination of agricultural statistics.

3 (3) Any other state agency that needs the information in order to
 4 perform its duties.

5 (d) Confidential information may be disclosed during the course of
 6 a judicial proceeding in which the regularity of an assessment is
 7 questioned.

8 (e) Confidential information that is disclosed to a person under
 9 subsection (b) or (c) retains its confidential status. Thus, that person
 10 may disclose the information only in a manner that is authorized under
 11 subsection (b), (c), or (d).

12 (f) Notwithstanding any other provision of law:

13 (1) a person who:

14 (A) is an officer or employee of an entity that contracts with a
 15 board of county commissioners or a county assessor under
 16 IC 6-1.1-36-12; and

17 (B) obtains confidential information under this section;

18 may not disclose that confidential information to any other
 19 person; and

20 (2) a person referred to in subdivision (1) must return all
 21 confidential information to the taxpayer not later than fourteen
 22 (14) days after the earlier of:

23 (A) the completion of the examination of the taxpayer's
 24 personal property return under IC 6-1.1-36-12; or

25 (B) the termination of the contract.

26 (g) Confidential information concerning an oil or gas interest, as
 27 described in IC 6-1.1-4-12.4, may be disclosed by an assessing official
 28 if the interest has been listed on the delinquent property tax list
 29 pursuant to IC 6-1.1-24-1 and is not otherwise removed from the
 30 property tax sale under IC 6-1.1-24. A person who establishes that the
 31 person may bid on an oil or gas interest in the context of a property tax
 32 sale may request from an assessing official all information necessary
 33 to properly identify and determine the value of the gas or oil interest
 34 that is the subject of the property tax sale. The information that may be
 35 disclosed includes the following:

36 (1) Lease information.

37 (2) The type of property interest being sold.

38 (3) The applicable percentage interest and the allocation of the
 39 applicable percentage interest among the owners of the oil or gas
 40 interest (including the names and addresses of all owners).

41 The official shall make information covered by this subsection
 42 available for inspection and copying in accordance with IC 5-14-3.



Confidential information that is disclosed to a person under this subsection loses its confidential status. A person that is denied the right to inspect or copy information covered by this subsection may file a formal complaint with the public access counselor under the procedure prescribed by IC 5-14-5. However, a person is not required to file a complaint under IC 5-14-5 before filing an action under IC 5-14-3.

SECTION 51. IC 6-1.1-35.2-2, AS AMENDED BY P.L.207-2016, SECTION 22, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 2. (a) In any year in which an assessing official takes office for the first time, the department of local government finance shall conduct training sessions determined under the rules adopted by the department under IC 4-22-2 for the new assessing officials. The sessions must be held at the locations described in subsection (b).

(b) To ensure that all newly elected or appointed assessing officials have an opportunity to attend the training sessions required by this section, the department of local government finance shall conduct the training sessions **virtually or in person** at a minimum of four (4) separate regional locations. The department shall determine the locations of the training sessions, but:

- (1) at least one (1) training session must be held in the northeastern part of Indiana;
- (2) at least one (1) training session must be held in the northwestern part of Indiana;
- (3) at least one (1) training session must be held in the southeastern part of Indiana; and
- (4) at least one (1) training session must be held in the southwestern part of Indiana.

The four (4) regional training sessions may not be held in Indianapolis. However, the department of local government finance may, after the conclusion of the four (4) training sessions, provide additional training sessions at locations determined by the department.

(c) Any new assessing official who attends:

- (1) a required session during the official's term of office; or
- (2) training between the date the person is elected to office and January 1 of the year the person takes office for the first time;

is entitled to receive the per diem per session set by the department of local government finance by rule adopted under IC 4-22-2 and a mileage allowance from the county in which the official resides. However, in the case of a multiple county property tax assessment board of appeals under IC 6-1.1-28-0.1, the costs of the per diem and mileage allowance shall be apportioned among the participating



counties in the manner specified in the ordinance establishing the multiple county property tax assessment board of appeals.

(d) A person is entitled to a mileage allowance under this section only for travel between the person's place of work and the training session nearest to the person's place of work.

SECTION 52. IC 6-1.1-39-1, AS AMENDED BY P.L.95-2022, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2023 (RETROACTIVE)]: Sec. 1. (a) This chapter applies to all counties, cities, and towns (referred to in this chapter as units).

(b) Notwithstanding any other law: ~~for economic development districts established:~~

(1) **for economic development districts established** after January 1, 1992, this chapter does not apply to fire protection districts established under IC 36-8-11; and

(2) ~~after December 31, 2021~~, this chapter does not apply to the part of a participating unit's proceeds of property taxes imposed for an assessment date with respect to which the allocation and distribution is made that are attributable to property taxes imposed to meet the participating unit's obligations to a fire protection territory established under IC 36-8-19 **after December 31, 2022.**

SECTION 53. IC 6-3-1-3.5, AS AMENDED BY P.L.1-2023, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2022 (RETROACTIVE)]: Sec. 3.5. When used in this article, the term "adjusted gross income" shall mean the following:

(a) In the case of all individuals, "adjusted gross income" (as defined in Section 62 of the Internal Revenue Code), modified as follows:

(1) Subtract income that is exempt from taxation under this article by the Constitution and statutes of the United States.

(2) Except as provided in subsection (c), add an amount equal to any deduction or deductions allowed or allowable pursuant to Section 62 of the Internal Revenue Code for taxes based on or measured by income and levied at the state level by any state of the United States.

(3) Subtract one thousand dollars (\$1,000), or in the case of a joint return filed by a husband and wife, subtract for each spouse one thousand dollars (\$1,000).

(4) Subtract one thousand dollars (\$1,000) for:

(A) each of the exemptions provided by Section 151(c) of the Internal Revenue Code (as effective January 1, 2017);



- 1 (B) each additional amount allowable under Section 63(f) of
- 2 the Internal Revenue Code; and
- 3 (C) the spouse of the taxpayer if a separate return is made by
- 4 the taxpayer and if the spouse, for the calendar year in which
- 5 the taxable year of the taxpayer begins, has no gross income
- 6 and is not the dependent of another taxpayer.
- 7 (5) Subtract:
- 8 (A) One thousand five hundred dollars (\$1,500) for each of the
- 9 exemptions allowed under Section 151(c)(1)(B) of the Internal
- 10 Revenue Code (as effective January 1, 2004).
- 11 (B) One thousand five hundred dollars (\$1,500) for each
- 12 exemption allowed under Section 151(c) of the Internal
- 13 Revenue Code (as effective January 1, 2017) for an individual:
- 14 (i) who is less than nineteen (19) years of age or is a
- 15 full-time student who is less than twenty-four (24) years of
- 16 age;
- 17 (ii) for whom the taxpayer is the legal guardian; and
- 18 (iii) for whom the taxpayer does not claim an exemption
- 19 under clause (A).
- 20 (C) Five hundred dollars (\$500) for each additional amount
- 21 allowable under Section 63(f)(1) of the Internal Revenue Code
- 22 if the federal adjusted gross income of the taxpayer, or the
- 23 taxpayer and the taxpayer's spouse in the case of a joint return,
- 24 is less than forty thousand dollars (\$40,000). In the case of a
- 25 married individual filing a separate return, the qualifying
- 26 income amount in this clause is equal to twenty thousand
- 27 dollars (\$20,000).
- 28 (D) Three thousand dollars (\$3,000) for each exemption
- 29 allowed under Section 151(c) of the Internal Revenue Code (as
- 30 effective January 1, 2017) for an individual who is:
- 31 (i) an adopted child of the taxpayer; and
- 32 (ii) less than nineteen (19) years of age or is a full-time
- 33 student who is less than twenty-four (24) years of age.
- 34 This amount is in addition to any amount subtracted under
- 35 clause (A) or (B).
- 36 This amount is in addition to the amount subtracted under
- 37 subdivision (4).
- 38 (6) Subtract any amounts included in federal adjusted gross
- 39 income under Section 111 of the Internal Revenue Code as a
- 40 recovery of items previously deducted as an itemized deduction
- 41 from adjusted gross income.
- 42 (7) Subtract any amounts included in federal adjusted gross



income under the Internal Revenue Code which amounts were received by the individual as supplemental railroad retirement annuities under 45 U.S.C. 231 and which are not deductible under subdivision (1).

(8) Subtract an amount equal to the amount of federal Social Security and Railroad Retirement benefits included in a taxpayer's federal gross income by Section 86 of the Internal Revenue Code.

(9) In the case of a nonresident taxpayer or a resident taxpayer residing in Indiana for a period of less than the taxpayer's entire taxable year, the total amount of the deductions allowed pursuant to subdivisions (3), (4), and (5) shall be reduced to an amount which bears the same ratio to the total as the taxpayer's income taxable in Indiana bears to the taxpayer's total income.

(10) In the case of an individual who is a recipient of assistance under IC 12-10-6-1, IC 12-10-6-2.1, IC 12-15-2-2, or IC 12-15-7, subtract an amount equal to that portion of the individual's adjusted gross income with respect to which the individual is not allowed under federal law to retain an amount to pay state and local income taxes.

(11) In the case of an eligible individual, subtract the amount of a Holocaust victim's settlement payment included in the individual's federal adjusted gross income.

(12) Subtract an amount equal to the portion of any premiums paid during the taxable year by the taxpayer for a qualified long term care policy (as defined in IC 12-15-39.6-5) for the taxpayer or the taxpayer's spouse if the taxpayer and the taxpayer's spouse file a joint income tax return or the taxpayer is otherwise entitled to a deduction under this subdivision for the taxpayer's spouse, or both.

(13) Subtract an amount equal to the lesser of:

(A) two thousand five hundred dollars (\$2,500), or one thousand two hundred fifty dollars (\$1,250) in the case of a married individual filing a separate return; or

(B) the amount of property taxes that are paid during the taxable year in Indiana by the individual on the individual's principal place of residence.

(14) Subtract an amount equal to the amount of a September 11 terrorist attack settlement payment included in the individual's federal adjusted gross income.

(15) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that owns property for which bonus depreciation was allowed in the current taxable year or in an



earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election not been made under Section 168(k) of the Internal Revenue Code to apply bonus depreciation to the property in the year that it was placed in service.

(16) Add an amount equal to any deduction allowed under Section 172 of the Internal Revenue Code (concerning net operating losses).

(17) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that placed Section 179 property (as defined in Section 179 of the Internal Revenue Code) in service in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election for federal income tax purposes not been made for the year in which the property was placed in service to take deductions under Section 179 of the Internal Revenue Code in a total amount exceeding the sum of:

(A) twenty-five thousand dollars (\$25,000) to the extent deductions under Section 179 of the Internal Revenue Code were not elected as provided in clause (B); and

(B) for taxable years beginning after December 31, 2017, the deductions elected under Section 179 of the Internal Revenue Code on property acquired in an exchange if:

(i) the exchange would have been eligible for nonrecognition of gain or loss under Section 1031 of the Internal Revenue Code in effect on January 1, 2017;

(ii) the exchange is not eligible for nonrecognition of gain or loss under Section 1031 of the Internal Revenue Code; and

(iii) the taxpayer made an election to take deductions under Section 179 of the Internal Revenue Code with regard to the acquired property in the year that the property was placed into service.

The amount of deductions allowable for an item of property under this clause may not exceed the amount of adjusted gross income realized on the property that would have been deferred under the Internal Revenue Code in effect on January 1, 2017.

(18) Subtract an amount equal to the amount of the taxpayer's qualified military income that was not excluded from the taxpayer's gross income for federal income tax purposes under Section 112 of the Internal Revenue Code.

(19) Subtract income that is:

(A) exempt from taxation under IC 6-3-2-21.7 (certain income



- 1 derived from patents); and
- 2 (B) included in the individual's federal adjusted gross income
- 3 under the Internal Revenue Code.
- 4 (20) Add an amount equal to any income not included in gross
- 5 income as a result of the deferral of income arising from business
- 6 indebtedness discharged in connection with the reacquisition after
- 7 December 31, 2008, and before January 1, 2011, of an applicable
- 8 debt instrument, as provided in Section 108(i) of the Internal
- 9 Revenue Code. Subtract the amount necessary from the adjusted
- 10 gross income of any taxpayer that added an amount to adjusted
- 11 gross income in a previous year to offset the amount included in
- 12 federal gross income as a result of the deferral of income arising
- 13 from business indebtedness discharged in connection with the
- 14 reacquisition after December 31, 2008, and before January 1,
- 15 2011, of an applicable debt instrument, as provided in Section
- 16 108(i) of the Internal Revenue Code.
- 17 (21) Add the amount excluded from federal gross income under
- 18 Section 103 of the Internal Revenue Code for interest received on
- 19 an obligation of a state other than Indiana, or a political
- 20 subdivision of such a state, that is acquired by the taxpayer after
- 21 December 31, 2011.
- 22 (22) Subtract an amount as described in Section 1341(a)(2) of the
- 23 Internal Revenue Code to the extent, if any, that the amount was
- 24 previously included in the taxpayer's adjusted gross income for a
- 25 prior taxable year.
- 26 (23) For taxable years beginning after December 25, 2016, add an
- 27 amount equal to the deduction for deferred foreign income that
- 28 was claimed by the taxpayer for the taxable year under Section
- 29 965(c) of the Internal Revenue Code.
- 30 (24) Subtract any interest expense paid or accrued in the current
- 31 taxable year but not deducted as a result of the limitation imposed
- 32 under Section 163(j)(1) of the Internal Revenue Code. Add any
- 33 interest expense paid or accrued in a previous taxable year but
- 34 allowed as a deduction under Section 163 of the Internal Revenue
- 35 Code in the current taxable year. For purposes of this subdivision,
- 36 an interest expense is considered paid or accrued only in the first
- 37 taxable year the deduction would have been allowable under
- 38 Section 163 of the Internal Revenue Code if the limitation under
- 39 Section 163(j)(1) of the Internal Revenue Code did not exist.
- 40 (25) Subtract the amount that would have been excluded from
- 41 gross income but for the enactment of Section 118(b)(2) of the
- 42 Internal Revenue Code for taxable years ending after December



22, 2017.

(26) For taxable years beginning after December 31, 2019, and before January 1, 2021, add an amount of the deduction claimed under Section 62(a)(22) of the Internal Revenue Code.

(27) For taxable years beginning after December 31, 2019, for payments made by an employer under an education assistance program after March 27, 2020:

(A) add the amount of payments by an employer that are excluded from the taxpayer's federal gross income under Section 127(c)(1)(B) of the Internal Revenue Code; and

(B) deduct the interest allowable under Section 221 of the Internal Revenue Code, if the disallowance under Section 221(e)(1) of the Internal Revenue Code did not apply to the payments described in clause (A). For purposes of applying Section 221(b) of the Internal Revenue Code to the amount allowable under this clause, the amount under clause (A) shall not be added to adjusted gross income.

(28) Add an amount equal to the remainder of:

(A) the amount allowable as a deduction under Section 274(n) of the Internal Revenue Code; minus

(B) the amount otherwise allowable as a deduction under Section 274(n) of the Internal Revenue Code, if Section 274(n)(2)(D) of the Internal Revenue Code was not in effect for amounts paid or incurred after December 31, 2020.

(29) For taxable years beginning after December 31, 2017, and before January 1, 2021, add an amount equal to the excess business loss of the taxpayer as defined in Section 461(l)(3) of the Internal Revenue Code. In addition:

(A) If a taxpayer has an excess business loss under this subdivision and also has modifications under subdivisions (15) and (17) for property placed in service during the taxable year, the taxpayer shall treat a portion of the taxable year modifications for that property as occurring in the taxable year the property is placed in service and a portion of the modifications as occurring in the immediately following taxable year.

(B) The portion of the modifications under subdivisions (15) and (17) for property placed in service during the taxable year treated as occurring in the taxable year in which the property is placed in service equals:

(i) the modification for the property otherwise determined under this section; minus



- 1 (ii) the excess business loss disallowed under this
- 2 subdivision;
- 3 but not less than zero (0).
- 4 (C) The portion of the modifications under subdivisions (15)
- 5 and (17) for property placed in service during the taxable year
- 6 treated as occurring in the taxable year immediately following
- 7 the taxable year in which the property is placed in service
- 8 equals the modification for the property otherwise determined
- 9 under this section minus the amount in clause (B).
- 10 (D) Any reallocation of modifications between taxable years
- 11 under clauses (B) and (C) shall be first allocated to the
- 12 modification under subdivision (15), then to the modification
- 13 under subdivision (17).
- 14 (30) Add an amount equal to the amount excluded from federal
- 15 gross income under Section 108(f)(5) of the Internal Revenue
- 16 Code. For purposes of this subdivision:
- 17 (A) if an amount excluded under Section 108(f)(5) of the
- 18 Internal Revenue Code would be excludible under Section
- 19 108(a)(1)(B) of the Internal Revenue Code, the exclusion
- 20 under Section 108(a)(1)(B) of the Internal Revenue Code shall
- 21 take precedence; and
- 22 (B) if an amount would have been excludible under Section
- 23 108(f)(5) of the Internal Revenue Code as in effect on January
- 24 1, 2020, the amount is not required to be added back under this
- 25 subdivision.
- 26 (31) For taxable years ending after March 12, 2020, subtract an
- 27 amount equal to the deduction disallowed pursuant to:
- 28 (A) Section 2301(e) of the CARES Act (Public Law 116-136),
- 29 as modified by Sections 206 and 207 of the Taxpayer Certainty
- 30 and Disaster Relief Tax Act (Division EE of Public Law
- 31 116-260); and
- 32 (B) Section 3134(e) of the Internal Revenue Code.
- 33 (32) Subtract the amount of an annual grant amount distributed to
- 34 a taxpayer's Indiana education scholarship account under
- 35 IC 20-51.4-4-2 that is used for a qualified expense (as defined in
- 36 IC 20-51.4-2-9) or to an Indiana enrichment scholarship account
- 37 under IC 20-52 that is used for qualified expenses (as defined in
- 38 IC 20-52-2-6), to the extent the distribution used for the qualified
- 39 expense is included in the taxpayer's federal adjusted gross
- 40 income under the Internal Revenue Code.
- 41 (33) For taxable years beginning after December 31, 2019, and
- 42 before January 1, 2021, add an amount equal to the amount of



unemployment compensation excluded from federal gross income under Section 85(c) of the Internal Revenue Code.

(34) For taxable years beginning after December 31, 2022, subtract an amount equal to the deduction disallowed under Section 280C(h) of the Internal Revenue Code.

(35) Subtract any other amounts the taxpayer is entitled to deduct under IC 6-3-2.

(b) In the case of corporations, the same as "taxable income" (as defined in Section 63 of the Internal Revenue Code) adjusted as follows:

(1) Subtract income that is exempt from taxation under this article by the Constitution and statutes of the United States.

(2) Add an amount equal to any deduction or deductions allowed or allowable pursuant to Section 170 of the Internal Revenue Code (concerning charitable contributions).

(3) Except as provided in subsection (c), add an amount equal to any deduction or deductions allowed or allowable pursuant to Section 63 of the Internal Revenue Code for taxes based on or measured by income and levied at the state level by any state of the United States.

(4) Subtract an amount equal to the amount included in the corporation's taxable income under Section 78 of the Internal Revenue Code (concerning foreign tax credits).

(5) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that owns property for which bonus depreciation was allowed in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election not been made under Section 168(k) of the Internal Revenue Code to apply bonus depreciation to the property in the year that it was placed in service.

(6) Add an amount equal to any deduction allowed under Section 172 of the Internal Revenue Code (concerning net operating losses).

(7) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that placed Section 179 property (as defined in Section 179 of the Internal Revenue Code) in service in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election for federal income tax purposes not been made for the year in which the property was placed in service to take deductions under Section 179 of the Internal



Revenue Code in a total amount exceeding the sum of:

(A) twenty-five thousand dollars (\$25,000) to the extent deductions under Section 179 of the Internal Revenue Code were not elected as provided in clause (B); and

(B) for taxable years beginning after December 31, 2017, the deductions elected under Section 179 of the Internal Revenue Code on property acquired in an exchange if:

(i) the exchange would have been eligible for nonrecognition of gain or loss under Section 1031 of the Internal Revenue Code in effect on January 1, 2017;

(ii) the exchange is not eligible for nonrecognition of gain or loss under Section 1031 of the Internal Revenue Code; and

(iii) the taxpayer made an election to take deductions under Section 179 of the Internal Revenue Code with regard to the acquired property in the year that the property was placed into service.

The amount of deductions allowable for an item of property under this clause may not exceed the amount of adjusted gross income realized on the property that would have been deferred under the Internal Revenue Code in effect on January 1, 2017.

(8) Add to the extent required by IC 6-3-2-20:

(A) the amount of intangible expenses (as defined in IC 6-3-2-20) for the taxable year that reduced the corporation's taxable income (as defined in Section 63 of the Internal Revenue Code) for federal income tax purposes; and

(B) any directly related interest expenses (as defined in IC 6-3-2-20) that reduced the corporation's adjusted gross income (determined without regard to this subdivision). For purposes of this clause, any directly related interest expense that constitutes business interest within the meaning of Section 163(j) of the Internal Revenue Code shall be considered to have reduced the taxpayer's federal taxable income only in the first taxable year in which the deduction otherwise would have been allowable under Section 163 of the Internal Revenue Code if the limitation under Section 163(j)(1) of the Internal Revenue Code did not exist.

(9) Add an amount equal to any deduction for dividends paid (as defined in Section 561 of the Internal Revenue Code) to shareholders of a captive real estate investment trust (as defined in section 34.5 of this chapter).

(10) Subtract income that is:

(A) exempt from taxation under IC 6-3-2-21.7 (certain income



- 1 derived from patents); and
- 2 (B) included in the corporation's taxable income under the
- 3 Internal Revenue Code.
- 4 (11) Add an amount equal to any income not included in gross
- 5 income as a result of the deferral of income arising from business
- 6 indebtedness discharged in connection with the reacquisition after
- 7 December 31, 2008, and before January 1, 2011, of an applicable
- 8 debt instrument, as provided in Section 108(i) of the Internal
- 9 Revenue Code. Subtract from the adjusted gross income of any
- 10 taxpayer that added an amount to adjusted gross income in a
- 11 previous year the amount necessary to offset the amount included
- 12 in federal gross income as a result of the deferral of income
- 13 arising from business indebtedness discharged in connection with
- 14 the reacquisition after December 31, 2008, and before January 1,
- 15 2011, of an applicable debt instrument, as provided in Section
- 16 108(i) of the Internal Revenue Code.
- 17 (12) Add the amount excluded from federal gross income under
- 18 Section 103 of the Internal Revenue Code for interest received on
- 19 an obligation of a state other than Indiana, or a political
- 20 subdivision of such a state, that is acquired by the taxpayer after
- 21 December 31, 2011.
- 22 (13) For taxable years beginning after December 25, 2016:
- 23 (A) for a corporation other than a real estate investment trust,
- 24 add:
- 25 (i) an amount equal to the amount reported by the taxpayer
- 26 on IRC 965 Transition Tax Statement, line 1; or
- 27 (ii) if the taxpayer deducted an amount under Section 965(c)
- 28 of the Internal Revenue Code in determining the taxpayer's
- 29 taxable income for purposes of the federal income tax, the
- 30 amount deducted under Section 965(c) of the Internal
- 31 Revenue Code; and
- 32 (B) for a real estate investment trust, add an amount equal to
- 33 the deduction for deferred foreign income that was claimed by
- 34 the taxpayer for the taxable year under Section 965(c) of the
- 35 Internal Revenue Code, but only to the extent that the taxpayer
- 36 included income pursuant to Section 965 of the Internal
- 37 Revenue Code in its taxable income for federal income tax
- 38 purposes or is required to add back dividends paid under
- 39 subdivision (9).
- 40 (14) Add an amount equal to the deduction that was claimed by
- 41 the taxpayer for the taxable year under Section 250(a)(1)(B) of the
- 42 Internal Revenue Code (attributable to global intangible



low-taxed income). The taxpayer shall separately specify the amount of the reduction under Section 250(a)(1)(B)(i) of the Internal Revenue Code and under Section 250(a)(1)(B)(ii) of the Internal Revenue Code.

(15) Subtract any interest expense paid or accrued in the current taxable year but not deducted as a result of the limitation imposed under Section 163(j)(1) of the Internal Revenue Code. Add any interest expense paid or accrued in a previous taxable year but allowed as a deduction under Section 163 of the Internal Revenue Code in the current taxable year. For purposes of this subdivision, an interest expense is considered paid or accrued only in the first taxable year the deduction would have been allowable under Section 163 of the Internal Revenue Code if the limitation under Section 163(j)(1) of the Internal Revenue Code did not exist.

(16) Subtract the amount that would have been excluded from gross income but for the enactment of Section 118(b)(2) of the Internal Revenue Code for taxable years ending after December 22, 2017.

(17) Add an amount equal to the remainder of:

(A) the amount allowable as a deduction under Section 274(n) of the Internal Revenue Code; minus

(B) the amount otherwise allowable as a deduction under Section 274(n) of the Internal Revenue Code, if Section 274(n)(2)(D) of the Internal Revenue Code was not in effect for amounts paid or incurred after December 31, 2020.

(18) For taxable years ending after March 12, 2020, subtract an amount equal to the deduction disallowed pursuant to:

(A) Section 2301(e) of the CARES Act (Public Law 116-136), as modified by Sections 206 and 207 of the Taxpayer Certainty and Disaster Relief Tax Act (Division EE of Public Law 116-260); and

(B) Section 3134(e) of the Internal Revenue Code.

(19) For taxable years beginning after December 31, 2022, subtract an amount equal to the deduction disallowed under Section 280C(h) of the Internal Revenue Code.

(20) Add or subtract any other amounts the taxpayer is:

(A) required to add or subtract; or

(B) entitled to deduct;

under IC 6-3-2.

(c) The following apply to taxable years beginning after December 31, 2018, for purposes of the add back of any deduction allowed on the taxpayer's federal income tax return for wagering taxes, as provided in



1 subsection (a)(2) if the taxpayer is an individual or subsection (b)(3) if
2 the taxpayer is a corporation:

3 (1) For taxable years beginning after December 31, 2018, and
4 before January 1, 2020, a taxpayer is required to add back under
5 this section eighty-seven and five-tenths percent (87.5%) of any
6 deduction allowed on the taxpayer's federal income tax return for
7 wagering taxes.

8 (2) For taxable years beginning after December 31, 2019, and
9 before January 1, 2021, a taxpayer is required to add back under
10 this section seventy-five percent (75%) of any deduction allowed
11 on the taxpayer's federal income tax return for wagering taxes.

12 (3) For taxable years beginning after December 31, 2020, and
13 before January 1, 2022, a taxpayer is required to add back under
14 this section sixty-two and five-tenths percent (62.5%) of any
15 deduction allowed on the taxpayer's federal income tax return for
16 wagering taxes.

17 (4) For taxable years beginning after December 31, 2021, and
18 before January 1, 2023, a taxpayer is required to add back under
19 this section fifty percent (50%) of any deduction allowed on the
20 taxpayer's federal income tax return for wagering taxes.

21 (5) For taxable years beginning after December 31, 2022, and
22 before January 1, 2024, a taxpayer is required to add back under
23 this section thirty-seven and five-tenths percent (37.5%) of any
24 deduction allowed on the taxpayer's federal income tax return for
25 wagering taxes.

26 (6) For taxable years beginning after December 31, 2023, and
27 before January 1, 2025, a taxpayer is required to add back under
28 this section twenty-five percent (25%) of any deduction allowed
29 on the taxpayer's federal income tax return for wagering taxes.

30 (7) For taxable years beginning after December 31, 2024, and
31 before January 1, 2026, a taxpayer is required to add back under
32 this section twelve and five-tenths percent (12.5%) of any
33 deduction allowed on the taxpayer's federal income tax return for
34 wagering taxes.

35 (8) For taxable years beginning after December 31, 2025, a
36 taxpayer is not required to add back under this section any amount
37 of a deduction allowed on the taxpayer's federal income tax return
38 for wagering taxes.

39 (d) In the case of life insurance companies (as defined in Section
40 816(a) of the Internal Revenue Code) that are organized under Indiana
41 law, the same as "life insurance company taxable income" (as defined
42 in Section 801 of the Internal Revenue Code), adjusted as follows:



- 1 (1) Subtract income that is exempt from taxation under this article
- 2 by the Constitution and statutes of the United States.
- 3 (2) Add an amount equal to any deduction allowed or allowable
- 4 under Section 170 of the Internal Revenue Code (concerning
- 5 charitable contributions).
- 6 (3) Add an amount equal to a deduction allowed or allowable
- 7 under Section 805 or Section 832(c) of the Internal Revenue Code
- 8 for taxes based on or measured by income and levied at the state
- 9 level by any state.
- 10 (4) Subtract an amount equal to the amount included in the
- 11 company's taxable income under Section 78 of the Internal
- 12 Revenue Code (concerning foreign tax credits).
- 13 (5) Add or subtract the amount necessary to make the adjusted
- 14 gross income of any taxpayer that owns property for which bonus
- 15 depreciation was allowed in the current taxable year or in an
- 16 earlier taxable year equal to the amount of adjusted gross income
- 17 that would have been computed had an election not been made
- 18 under Section 168(k) of the Internal Revenue Code to apply bonus
- 19 depreciation to the property in the year that it was placed in
- 20 service.
- 21 (6) Add an amount equal to any deduction allowed under Section
- 22 172 of the Internal Revenue Code (concerning net operating
- 23 losses).
- 24 (7) Add or subtract the amount necessary to make the adjusted
- 25 gross income of any taxpayer that placed Section 179 property (as
- 26 defined in Section 179 of the Internal Revenue Code) in service
- 27 in the current taxable year or in an earlier taxable year equal to
- 28 the amount of adjusted gross income that would have been
- 29 computed had an election for federal income tax purposes not
- 30 been made for the year in which the property was placed in
- 31 service to take deductions under Section 179 of the Internal
- 32 Revenue Code in a total amount exceeding the sum of:
- 33 (A) twenty-five thousand dollars (\$25,000) to the extent
- 34 deductions under Section 179 of the Internal Revenue Code
- 35 were not elected as provided in clause (B); and
- 36 (B) for taxable years beginning after December 31, 2017, the
- 37 deductions elected under Section 179 of the Internal Revenue
- 38 Code on property acquired in an exchange if:
- 39 (i) the exchange would have been eligible for
- 40 nonrecognition of gain or loss under Section 1031 of the
- 41 Internal Revenue Code in effect on January 1, 2017;
- 42 (ii) the exchange is not eligible for nonrecognition of gain or



- 1 loss under Section 1031 of the Internal Revenue Code; and
- 2 (iii) the taxpayer made an election to take deductions under
- 3 Section 179 of the Internal Revenue Code with regard to the
- 4 acquired property in the year that the property was placed
- 5 into service.
- 6 The amount of deductions allowable for an item of property
- 7 under this clause may not exceed the amount of adjusted gross
- 8 income realized on the property that would have been deferred
- 9 under the Internal Revenue Code in effect on January 1, 2017.
- 10 (8) Subtract income that is:
- 11 (A) exempt from taxation under IC 6-3-2-21.7 (certain income
- 12 derived from patents); and
- 13 (B) included in the insurance company's taxable income under
- 14 the Internal Revenue Code.
- 15 (9) Add an amount equal to any income not included in gross
- 16 income as a result of the deferral of income arising from business
- 17 indebtedness discharged in connection with the reacquisition after
- 18 December 31, 2008, and before January 1, 2011, of an applicable
- 19 debt instrument, as provided in Section 108(i) of the Internal
- 20 Revenue Code. Subtract from the adjusted gross income of any
- 21 taxpayer that added an amount to adjusted gross income in a
- 22 previous year the amount necessary to offset the amount included
- 23 in federal gross income as a result of the deferral of income
- 24 arising from business indebtedness discharged in connection with
- 25 the reacquisition after December 31, 2008, and before January 1,
- 26 2011, of an applicable debt instrument, as provided in Section
- 27 108(i) of the Internal Revenue Code.
- 28 (10) Add an amount equal to any exempt insurance income under
- 29 Section 953(e) of the Internal Revenue Code that is active
- 30 financing income under Subpart F of Subtitle A, Chapter 1,
- 31 Subchapter N of the Internal Revenue Code.
- 32 (11) Add the amount excluded from federal gross income under
- 33 Section 103 of the Internal Revenue Code for interest received on
- 34 an obligation of a state other than Indiana, or a political
- 35 subdivision of such a state, that is acquired by the taxpayer after
- 36 December 31, 2011.
- 37 (12) For taxable years beginning after December 25, 2016, add:
- 38 (A) an amount equal to the amount reported by the taxpayer on
- 39 IRC 965 Transition Tax Statement, line 1; or
- 40 (B) if the taxpayer deducted an amount under Section 965(c)
- 41 of the Internal Revenue Code in determining the taxpayer's
- 42 taxable income for purposes of the federal income tax, the



- 1 amount deducted under Section 965(c) of the Internal Revenue
- 2 Code.
- 3 (13) Add an amount equal to the deduction that was claimed by
- 4 the taxpayer for the taxable year under Section 250(a)(1)(B) of the
- 5 Internal Revenue Code (attributable to global intangible
- 6 low-taxed income). The taxpayer shall separately specify the
- 7 amount of the reduction under Section 250(a)(1)(B)(i) of the
- 8 Internal Revenue Code and under Section 250(a)(1)(B)(ii) of the
- 9 Internal Revenue Code.
- 10 (14) Subtract any interest expense paid or accrued in the current
- 11 taxable year but not deducted as a result of the limitation imposed
- 12 under Section 163(j)(1) of the Internal Revenue Code. Add any
- 13 interest expense paid or accrued in a previous taxable year but
- 14 allowed as a deduction under Section 163 of the Internal Revenue
- 15 Code in the current taxable year. For purposes of this subdivision,
- 16 an interest expense is considered paid or accrued only in the first
- 17 taxable year the deduction would have been allowable under
- 18 Section 163 of the Internal Revenue Code if the limitation under
- 19 Section 163(j)(1) of the Internal Revenue Code did not exist.
- 20 (15) Subtract the amount that would have been excluded from
- 21 gross income but for the enactment of Section 118(b)(2) of the
- 22 Internal Revenue Code for taxable years ending after December
- 23 22, 2017.
- 24 (16) Add an amount equal to the remainder of:
- 25 (A) the amount allowable as a deduction under Section 274(n)
- 26 of the Internal Revenue Code; minus
- 27 (B) the amount otherwise allowable as a deduction under
- 28 Section 274(n) of the Internal Revenue Code, if Section
- 29 274(n)(2)(D) of the Internal Revenue Code was not in effect
- 30 for amounts paid or incurred after December 31, 2020.
- 31 (17) For taxable years ending after March 12, 2020, subtract an
- 32 amount equal to the deduction disallowed pursuant to:
- 33 (A) Section 2301(e) of the CARES Act (Public Law 116-136),
- 34 as modified by Sections 206 and 207 of the Taxpayer Certainty
- 35 and Disaster Relief Tax Act (Division EE of Public Law
- 36 116-260); and
- 37 (B) Section 3134(e) of the Internal Revenue Code.
- 38 (18) For taxable years beginning after December 31, 2022,
- 39 subtract an amount equal to the deduction disallowed under
- 40 Section 280C(h) of the Internal Revenue Code.
- 41 (19) Add or subtract any other amounts the taxpayer is:
- 42 (A) required to add or subtract; or



- 1 (B) entitled to deduct;
- 2 under IC 6-3-2.
- 3 (e) In the case of insurance companies subject to tax under Section
- 4 831 of the Internal Revenue Code and organized under Indiana law, the
- 5 same as "taxable income" (as defined in Section 832 of the Internal
- 6 Revenue Code), adjusted as follows:
- 7 (1) Subtract income that is exempt from taxation under this article
- 8 by the Constitution and statutes of the United States.
- 9 (2) Add an amount equal to any deduction allowed or allowable
- 10 under Section 170 of the Internal Revenue Code (concerning
- 11 charitable contributions).
- 12 (3) Add an amount equal to a deduction allowed or allowable
- 13 under Section 805 or Section 832(c) of the Internal Revenue Code
- 14 for taxes based on or measured by income and levied at the state
- 15 level by any state.
- 16 (4) Subtract an amount equal to the amount included in the
- 17 company's taxable income under Section 78 of the Internal
- 18 Revenue Code (concerning foreign tax credits).
- 19 (5) Add or subtract the amount necessary to make the adjusted
- 20 gross income of any taxpayer that owns property for which bonus
- 21 depreciation was allowed in the current taxable year or in an
- 22 earlier taxable year equal to the amount of adjusted gross income
- 23 that would have been computed had an election not been made
- 24 under Section 168(k) of the Internal Revenue Code to apply bonus
- 25 depreciation to the property in the year that it was placed in
- 26 service.
- 27 (6) Add an amount equal to any deduction allowed under Section
- 28 172 of the Internal Revenue Code (concerning net operating
- 29 losses).
- 30 (7) Add or subtract the amount necessary to make the adjusted
- 31 gross income of any taxpayer that placed Section 179 property (as
- 32 defined in Section 179 of the Internal Revenue Code) in service
- 33 in the current taxable year or in an earlier taxable year equal to
- 34 the amount of adjusted gross income that would have been
- 35 computed had an election for federal income tax purposes not
- 36 been made for the year in which the property was placed in
- 37 service to take deductions under Section 179 of the Internal
- 38 Revenue Code in a total amount exceeding the sum of:
- 39 (A) twenty-five thousand dollars (\$25,000) to the extent
- 40 deductions under Section 179 of the Internal Revenue Code
- 41 were not elected as provided in clause (B); and
- 42 (B) for taxable years beginning after December 31, 2017, the



deductions elected under Section 179 of the Internal Revenue Code on property acquired in an exchange if:

- (i) the exchange would have been eligible for nonrecognition of gain or loss under Section 1031 of the Internal Revenue Code in effect on January 1, 2017;
- (ii) the exchange is not eligible for nonrecognition of gain or loss under Section 1031 of the Internal Revenue Code; and
- (iii) the taxpayer made an election to take deductions under Section 179 of the Internal Revenue Code with regard to the acquired property in the year that the property was placed into service.

The amount of deductions allowable for an item of property under this clause may not exceed the amount of adjusted gross income realized on the property that would have been deferred under the Internal Revenue Code in effect on January 1, 2017.

(8) Subtract income that is:

- (A) exempt from taxation under IC 6-3-2-21.7 (certain income derived from patents); and
- (B) included in the insurance company's taxable income under the Internal Revenue Code.

(9) Add an amount equal to any income not included in gross income as a result of the deferral of income arising from business indebtedness discharged in connection with the reacquisition after December 31, 2008, and before January 1, 2011, of an applicable debt instrument, as provided in Section 108(i) of the Internal Revenue Code. Subtract from the adjusted gross income of any taxpayer that added an amount to adjusted gross income in a previous year the amount necessary to offset the amount included in federal gross income as a result of the deferral of income arising from business indebtedness discharged in connection with the reacquisition after December 31, 2008, and before January 1, 2011, of an applicable debt instrument, as provided in Section 108(i) of the Internal Revenue Code.

(10) Add an amount equal to any exempt insurance income under Section 953(e) of the Internal Revenue Code that is active financing income under Subpart F of Subtitle A, Chapter 1, Subchapter N of the Internal Revenue Code.

(11) Add the amount excluded from federal gross income under Section 103 of the Internal Revenue Code for interest received on an obligation of a state other than Indiana, or a political subdivision of such a state, that is acquired by the taxpayer after December 31, 2011.



- (12) For taxable years beginning after December 25, 2016, add:
- (A) an amount equal to the amount reported by the taxpayer on IRC 965 Transition Tax Statement, line 1; or
 - (B) if the taxpayer deducted an amount under Section 965(c) of the Internal Revenue Code in determining the taxpayer's taxable income for purposes of the federal income tax, the amount deducted under Section 965(c) of the Internal Revenue Code.
- (13) Add an amount equal to the deduction that was claimed by the taxpayer for the taxable year under Section 250(a)(1)(B) of the Internal Revenue Code (attributable to global intangible low-taxed income). The taxpayer shall separately specify the amount of the reduction under Section 250(a)(1)(B)(i) of the Internal Revenue Code and under Section 250(a)(1)(B)(ii) of the Internal Revenue Code.
- (14) Subtract any interest expense paid or accrued in the current taxable year but not deducted as a result of the limitation imposed under Section 163(j)(1) of the Internal Revenue Code. Add any interest expense paid or accrued in a previous taxable year but allowed as a deduction under Section 163 of the Internal Revenue Code in the current taxable year. For purposes of this subdivision, an interest expense is considered paid or accrued only in the first taxable year the deduction would have been allowable under Section 163 of the Internal Revenue Code if the limitation under Section 163(j)(1) of the Internal Revenue Code did not exist.
- (15) Subtract the amount that would have been excluded from gross income but for the enactment of Section 118(b)(2) of the Internal Revenue Code for taxable years ending after December 22, 2017.
- (16) Add an amount equal to the remainder of:
- (A) the amount allowable as a deduction under Section 274(n) of the Internal Revenue Code; minus
 - (B) the amount otherwise allowable as a deduction under Section 274(n) of the Internal Revenue Code, if Section 274(n)(2)(D) of the Internal Revenue Code was not in effect for amounts paid or incurred after December 31, 2020.
- (17) For taxable years ending after March 12, 2020, subtract an amount equal to the deduction disallowed pursuant to:
- (A) Section 2301(e) of the CARES Act (Public Law 116-136), as modified by Sections 206 and 207 of the Taxpayer Certainty and Disaster Relief Tax Act (Division EE of Public Law 116-260); and



- 1 (B) Section 3134(e) of the Internal Revenue Code.
- 2 (18) For taxable years beginning after December 31, 2022,
- 3 subtract an amount equal to the deduction disallowed under
- 4 Section 280C(h) of the Internal Revenue Code.
- 5 (19) Add or subtract any other amounts the taxpayer is:
- 6 (A) required to add or subtract; or
- 7 (B) entitled to deduct;
- 8 under IC 6-3-2.
- 9 (f) In the case of trusts and estates, "taxable income" (as defined for
- 10 trusts and estates in Section 641(b) of the Internal Revenue Code)
- 11 adjusted as follows:
- 12 (1) Subtract income that is exempt from taxation under this article
- 13 by the Constitution and statutes of the United States.
- 14 (2) Subtract an amount equal to the amount of a September 11
- 15 terrorist attack settlement payment included in the federal
- 16 adjusted gross income of the estate of a victim of the September
- 17 11 terrorist attack or a trust to the extent the trust benefits a victim
- 18 of the September 11 terrorist attack.
- 19 (3) Add or subtract the amount necessary to make the adjusted
- 20 gross income of any taxpayer that owns property for which bonus
- 21 depreciation was allowed in the current taxable year or in an
- 22 earlier taxable year equal to the amount of adjusted gross income
- 23 that would have been computed had an election not been made
- 24 under Section 168(k) of the Internal Revenue Code to apply bonus
- 25 depreciation to the property in the year that it was placed in
- 26 service.
- 27 (4) Add an amount equal to any deduction allowed under Section
- 28 172 of the Internal Revenue Code (concerning net operating
- 29 losses).
- 30 (5) Add or subtract the amount necessary to make the adjusted
- 31 gross income of any taxpayer that placed Section 179 property (as
- 32 defined in Section 179 of the Internal Revenue Code) in service
- 33 in the current taxable year or in an earlier taxable year equal to
- 34 the amount of adjusted gross income that would have been
- 35 computed had an election for federal income tax purposes not
- 36 been made for the year in which the property was placed in
- 37 service to take deductions under Section 179 of the Internal
- 38 Revenue Code in a total amount exceeding the sum of:
- 39 (A) twenty-five thousand dollars (\$25,000) to the extent
- 40 deductions under Section 179 of the Internal Revenue Code
- 41 were not elected as provided in clause (B); and
- 42 (B) for taxable years beginning after December 31, 2017, the



deductions elected under Section 179 of the Internal Revenue Code on property acquired in an exchange if:

- (i) the exchange would have been eligible for nonrecognition of gain or loss under Section 1031 of the Internal Revenue Code in effect on January 1, 2017;
- (ii) the exchange is not eligible for nonrecognition of gain or loss under Section 1031 of the Internal Revenue Code; and
- (iii) the taxpayer made an election to take deductions under Section 179 of the Internal Revenue Code with regard to the acquired property in the year that the property was placed into service.

The amount of deductions allowable for an item of property under this clause may not exceed the amount of adjusted gross income realized on the property that would have been deferred under the Internal Revenue Code in effect on January 1, 2017.

(6) Subtract income that is:

- (A) exempt from taxation under IC 6-3-2-21.7 (certain income derived from patents); and
- (B) included in the taxpayer's taxable income under the Internal Revenue Code.

(7) Add an amount equal to any income not included in gross income as a result of the deferral of income arising from business indebtedness discharged in connection with the reacquisition after December 31, 2008, and before January 1, 2011, of an applicable debt instrument, as provided in Section 108(i) of the Internal Revenue Code. Subtract from the adjusted gross income of any taxpayer that added an amount to adjusted gross income in a previous year the amount necessary to offset the amount included in federal gross income as a result of the deferral of income arising from business indebtedness discharged in connection with the reacquisition after December 31, 2008, and before January 1, 2011, of an applicable debt instrument, as provided in Section 108(i) of the Internal Revenue Code.

(8) Add the amount excluded from federal gross income under Section 103 of the Internal Revenue Code for interest received on an obligation of a state other than Indiana, or a political subdivision of such a state, that is acquired by the taxpayer after December 31, 2011.

(9) For taxable years beginning after December 25, 2016, add an amount equal to:

- (A) the amount reported by the taxpayer on IRC 965 Transition Tax Statement, line 1;



- 1 (B) if the taxpayer deducted an amount under Section 965(c)
- 2 of the Internal Revenue Code in determining the taxpayer's
- 3 taxable income for purposes of the federal income tax, the
- 4 amount deducted under Section 965(c) of the Internal Revenue
- 5 Code; and
- 6 (C) with regard to any amounts of income under Section 965
- 7 of the Internal Revenue Code distributed by the taxpayer, the
- 8 deduction under Section 965(c) of the Internal Revenue Code
- 9 attributable to such distributed amounts and not reported to the
- 10 beneficiary.
- 11 For purposes of this article, the amount required to be added back
- 12 under clause (B) is not considered to be distributed or
- 13 distributable to a beneficiary of the estate or trust for purposes of
- 14 Sections 651 and 661 of the Internal Revenue Code.
- 15 (10) Subtract any interest expense paid or accrued in the current
- 16 taxable year but not deducted as a result of the limitation imposed
- 17 under Section 163(j)(1) of the Internal Revenue Code. Add any
- 18 interest expense paid or accrued in a previous taxable year but
- 19 allowed as a deduction under Section 163 of the Internal Revenue
- 20 Code in the current taxable year. For purposes of this subdivision,
- 21 an interest expense is considered paid or accrued only in the first
- 22 taxable year the deduction would have been allowable under
- 23 Section 163 of the Internal Revenue Code if the limitation under
- 24 Section 163(j)(1) of the Internal Revenue Code did not exist.
- 25 (11) Add an amount equal to the deduction for qualified business
- 26 income that was claimed by the taxpayer for the taxable year
- 27 under Section 199A of the Internal Revenue Code.
- 28 (12) Subtract the amount that would have been excluded from
- 29 gross income but for the enactment of Section 118(b)(2) of the
- 30 Internal Revenue Code for taxable years ending after December
- 31 22, 2017.
- 32 (13) Add an amount equal to the remainder of:
- 33 (A) the amount allowable as a deduction under Section 274(n)
- 34 of the Internal Revenue Code; minus
- 35 (B) the amount otherwise allowable as a deduction under
- 36 Section 274(n) of the Internal Revenue Code, if Section
- 37 274(n)(2)(D) of the Internal Revenue Code was not in effect
- 38 for amounts paid or incurred after December 31, 2020.
- 39 (14) For taxable years beginning after December 31, 2017, and
- 40 before January 1, 2021, add an amount equal to the excess
- 41 business loss of the taxpayer as defined in Section 461(l)(3) of the
- 42 Internal Revenue Code. In addition:



(A) If a taxpayer has an excess business loss under this subdivision and also has modifications under subdivisions (3) and (5) for property placed in service during the taxable year, the taxpayer shall treat a portion of the taxable year modifications for that property as occurring in the taxable year the property is placed in service and a portion of the modifications as occurring in the immediately following taxable year.

(B) The portion of the modifications under subdivisions (3) and (5) for property placed in service during the taxable year treated as occurring in the taxable year in which the property is placed in service equals:

(i) the modification for the property otherwise determined under this section; minus

(ii) the excess business loss disallowed under this subdivision;

but not less than zero (0).

(C) The portion of the modifications under subdivisions (3) and (5) for property placed in service during the taxable year treated as occurring in the taxable year immediately following the taxable year in which the property is placed in service equals the modification for the property otherwise determined under this section minus the amount in clause (B).

(D) Any reallocation of modifications between taxable years under clauses (B) and (C) shall be first allocated to the modification under subdivision (3), then to the modification under subdivision (5).

(15) For taxable years ending after March 12, 2020, subtract an amount equal to the deduction disallowed pursuant to:

(A) Section 2301(e) of the CARES Act (Public Law 116-136), as modified by Sections 206 and 207 of the Taxpayer Certainty and Disaster Relief Tax Act (Division EE of Public Law 116-260); and

(B) Section 3134(e) of the Internal Revenue Code.

(16) For taxable years beginning after December 31, 2022, subtract an amount equal to the deduction disallowed under Section 280C(h) of the Internal Revenue Code.

(17) Except as provided in subsection (c), for taxable years beginning after December 31, 2022, add an amount equal to any deduction or deductions allowed or allowable in determining taxable income under Section 641(b) of the Internal Revenue Code for taxes based on or measured by income and levied at the



state level by any state of the United States.

(18) Add or subtract any other amounts the taxpayer is:

(A) required to add or subtract; or

(B) entitled to deduct;

under IC 6-3-2.

(g) For purposes of IC 6-3-2.1, IC 6-3-4-12, IC 6-3-4-13, and IC 6-3-4-15 for taxable years beginning after December 31, 2022, "adjusted gross income" of a pass through entity means the aggregate of items of ordinary income and loss in the case of a partnership or a corporation described in IC 6-3-2-2.8(2), or ~~aggregate distributable net income of a trust or estate as defined in Section 643 of the Internal Revenue Code~~; **distributions subject to tax for state and federal income tax for beneficiaries in the case of a trust or estate**, whichever is applicable, for the taxable year modified as follows:

(1) Add the separately stated items of income and gains, or the equivalent items that must be considered separately by a beneficiary, as determined for federal purposes, attributed to the partners, shareholders, or beneficiaries of the pass through entity, determined without regard to whether the owner is permitted to exclude all or part of the income or gain or deduct any amount against the income or gain.

(2) Subtract the separately stated items of deductions or losses or items that must be considered separately by beneficiaries, as determined for federal purposes, attributed to partners, shareholders, or beneficiaries of the pass through entity and that are deductible by an individual in determining adjusted gross income as defined under Section 62 of the Internal Revenue Code:

(A) limited as if the partners, shareholders, and beneficiaries deducted the maximum allowable loss or deduction allowable for the taxable year prior to any amount deductible from the pass through entity; but

(B) not considering any disallowance of deductions resulting from federal basis limitations for the partner, shareholder, or beneficiary.

(3) Add or subtract any modifications to adjusted gross income that would be required both for individuals under subsection (a) and corporations under subsection (b) to the extent otherwise provided in those subsections, including amounts that are allowable for which such modifications are necessary to account for separately stated items in subdivision (1) or (2).

(h) Subsections (a)(35), (b)(20), (d)(19), (e)(19), or (f)(18) may not



1 be construed to require an add back or allow a deduction or exemption
 2 more than once for a particular add back, deduction, or exemption.

3 (i) For taxable years beginning after December 25, 2016, if:

4 (1) a taxpayer is a shareholder, either directly or indirectly, in a
 5 corporation that is an E&P deficit foreign corporation as defined
 6 in Section 965(b)(3)(B) of the Internal Revenue Code, and the
 7 earnings and profit deficit, or a portion of the earnings and profit
 8 deficit, of the E&P deficit foreign corporation is permitted to
 9 reduce the federal adjusted gross income or federal taxable
 10 income of the taxpayer, the deficit, or the portion of the deficit,
 11 shall also reduce the amount taxable under this section to the
 12 extent permitted under the Internal Revenue Code, however, in no
 13 case shall this permit a reduction in the amount taxable under
 14 Section 965 of the Internal Revenue Code for purposes of this
 15 section to be less than zero (0); and

16 (2) the Internal Revenue Service issues guidance that such an
 17 income or deduction is not reported directly on a federal tax
 18 return or is to be reported in a manner different than specified in
 19 this section, this section shall be construed as if federal adjusted
 20 gross income or federal taxable income included the income or
 21 deduction.

22 (j) If a partner is required to include an item of income, a deduction,
 23 or another tax attribute in the partner's adjusted gross income tax return
 24 pursuant to IC 6-3-4.5, such item shall be considered to be includible
 25 in the partner's federal adjusted gross income or federal taxable
 26 income, regardless of whether such item is actually required to be
 27 reported by the partner for federal income tax purposes. For purposes
 28 of this subsection:

29 (1) items for which a valid election is made under IC 6-3-4.5-6,
 30 IC 6-3-4.5-8, or IC 6-3-4.5-9 shall not be required to be included
 31 in the partner's adjusted gross income or taxable income; and

32 (2) items for which the partnership did not make an election under
 33 IC 6-3-4.5-6, IC 6-3-4.5-8, or IC 6-3-4.5-9, but for which the
 34 partnership is required to remit tax pursuant to IC 6-3-4.5-18,
 35 shall be included in the partner's adjusted gross income or taxable
 36 income.

37 SECTION 54. IC 6-3-2-2.8, AS AMENDED BY P.L.1-2023,
 38 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 39 JULY 1, 2023]: Sec. 2.8. Notwithstanding any provision of IC 6-3-1
 40 through IC 6-3-7, there shall be no tax on the adjusted gross income of
 41 the following:

42 (1) Any organization described in Section 501(a) of the Internal



Revenue Code, except that any income of such organization which is subject to income tax under the Internal Revenue Code shall be subject to the tax under IC 6-3-1 through IC 6-3-7.

(2) Any corporation which is exempt from income tax under Section 1363 of the Internal Revenue Code and which complies with the requirements of IC 6-3-4-13. However, income of a corporation described under this subdivision that is subject to income tax under the Internal Revenue Code is subject to the tax under IC 6-3-1 through IC 6-3-7. A corporation will not lose its exemption under this section because it fails to comply with IC 6-3-4-13 but it will be subject to the penalties provided by IC 6-8.1-10. Any corporation that is exempt from income tax under Section 1363 of the Internal Revenue Code and that makes an election under IC 6-3-2.1 for a taxable year shall be subject to tax as provided in IC 6-3-2.1 for the taxable year of the election.

(3) Banks and trust companies, national banking associations, savings banks, building and loan associations, and savings and loan associations.

(4) Insurance companies **or organizations offering nonprofit agricultural organization coverage** subject to tax under any of the following:

(A) IC 27-1-18-2, including a domestic insurance company that elects to be taxed under IC 27-1-18-2.

(B) IC 27-1-2-2.3.

(C) IC 6-8-15, unless a nonprofit agricultural organization files a notice of election with the commissioner of the department of state revenue as set forth in IC 6-8-15-5(b) stating that the nonprofit agricultural organization elects to submit to the tax imposed under IC 6-3-1 through IC 6-3-7.

(5) International banking facilities (as defined in Regulation D of the Board of Governors of the Federal Reserve System (12 CFR 204)).

SECTION 55. IC 6-3-2.1-4, AS ADDED BY P.L.1-2023, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2022 (RETROACTIVE)]: Sec. 4. (a) A tax shall be imposed on the adjusted gross income of an electing entity for the taxable year of the election. The adjusted gross income of the electing entity shall be the aggregate of the direct owners' share of the electing entity's adjusted gross income. For purposes of this section:

(1) the electing entity shall determine each nonresident direct owner's share after allocation and apportionment pursuant to



1 IC 6-3-2-2; and

2 (2) the electing entity shall determine the resident direct owner's
3 share either before allocation and apportionment pursuant to
4 IC 6-3-2-2 or after allocation and apportionment pursuant to
5 IC 6-3-2-2. The electing entity must use the same method for all
6 resident direct owners.

7 (b) The tax rate shall be the tax rate specified in IC 6-3-2-1(b) as of
8 the last day of the electing entity's taxable year, and the tax shall be due
9 on the same date as the entity return for the taxable year is due under
10 this article, without regard to extensions.

11 (c) On its return for the taxable year, the electing entity shall attach
12 a schedule showing the calculation of the tax and the credit for each
13 **entity direct** owner, and remit the tax with the return, taking into
14 account prior estimated tax payments and other tax payments by the
15 electing entity, along with other payments that are credited to the
16 electing entity as tax paid under this chapter or as tax withheld under
17 IC 6-3-4 or IC 6-5.5-2-8. The department may prescribe the form for
18 providing the information required by this section.

19 (d) If a pass through entity makes estimated tax payments, makes
20 other tax payments, or has other payments that are credited to the
21 electing entity as tax paid under this chapter or a tax withheld under
22 IC 6-3-4 or IC 6-5.5-2-8, and the pass through entity does not make the
23 election under section 3 of this chapter, the pass through entity:

24 (1) may treat pass through entity tax remitted on its behalf under
25 this chapter as pass through entity tax to its direct owners,
26 provided that:

27 (A) the tax is designated on a schedule similar to the schedule
28 required under subsection (c) and is reported to the direct
29 owners in the manner provided in section 5 of this chapter; and

30 (B) the pass through entity credits an amount to a direct owner
31 no greater than the tax that otherwise would be due under this
32 chapter on their share of the adjusted gross income from the
33 pass through entity or the direct owner's portion (as
34 determined under subsection (a)) of the pass through entity tax
35 passed through to the pass through entity, whichever is greater
36 (for purposes of this clause, a trust or estate shall compute the
37 tax in the same manner as an electing entity);

38 (2) shall treat any payment other than a payment designated under
39 subdivision (1) as a withholding tax payment under IC 6-3-4-12,
40 IC 6-3-4-13, IC 6-3-4-15, or IC 6-5.5-2-8 to the extent the pass
41 through entity otherwise has not remitted or been credited with
42 such withholding; and



(3) may request a refund of any payment in excess of the amounts credited or designated under subdivision (1) or (2).

(e) If a pass through entity elects to be subject to tax under this chapter and the pass through entity determines that its tax is less than the pass through entity tax that is paid on its behalf, the pass through entity may treat the tax paid on its behalf in a manner similar to subsection (d)(1)(B).

SECTION 56. IC 6-3.6-3-7, AS AMENDED BY P.L.154-2020, SECTION 31, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 7. (a) This section applies to a county in which the county adopting body is a local income tax council.

(b) Before a member of the local income tax council may propose an ordinance under section 8 of this chapter, or vote on a proposed ordinance (including a proposed ordinance under section 8(e) of this chapter that is being considered by the local income tax council as a whole as required under section 9.5 of this chapter (before its expiration)), the member must hold a public hearing on the proposed ordinance and provide the public with notice of the time and place where the public hearing will be held.

(c) The notice required by subsection (b) must be given in accordance with IC 5-3-1 and include the proposed ordinance or resolution to propose an ordinance.

(d) In addition to the notice required by subsection (b), the adopting body shall also provide a copy of the notice to all taxing units in the county at least ten (10) days before the public hearing.

(e) If a county adopting body makes any fiscal decision that has a financial impact to an underlying local taxing unit, the decision must be made, and notice must be given to the affected local taxing unit, by August 1 of a year. If a county adopting body passes an ordinance changing the allocation of local income tax revenue to a local taxing unit, the county adopting body must provide direct notice, in addition to the public notice described in subsection (b), to the affected local taxing unit within fifteen (15) days of the passage of the ordinance. The county adopting body must provide confirmation to the department of state revenue and the department of local government finance that direct notice was provided to the affected local taxing units within fifteen (15) days of the passage of the ordinance.

(f) If a county adopting body fails to meet the notice requirements as outlined in subsection (e), the allocation of local income tax revenue will remain unchanged for the underlying local taxing unit and the ordinance changing an allocation of local



1 **income tax revenue is void.**

2 SECTION 57. IC 6-3.6-3-7.5, AS AMENDED BY P.L.247-2017,
3 SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
4 JULY 1, 2023]: Sec. 7.5. (a) This section applies to a county in which
5 the county adopting body is the county council.

6 (b) Before the county council may vote on a proposed ordinance
7 under this article, the county council must hold a public hearing on the
8 proposed ordinance and provide the public with notice of the date,
9 time, and place of the public hearing.

10 (c) The notice required by subsection (b) must be given in
11 accordance with IC 5-3-1 and include the proposed ordinance.

12 (d) In addition to the notice required by subsection (b), the adopting
13 body shall also provide a copy of the notice to all taxing units in the
14 county at least ten (10) days before the public hearing.

15 **(e) If a county adopting body makes any fiscal decision that has**
16 **a financial impact to an underlying local taxing unit, the decision**
17 **must be made, and notice must be given to the affected local taxing**
18 **unit, by August 1 of a year. If a county adopting body passes an**
19 **ordinance changing the allocation of local income tax revenue to a**
20 **local taxing unit, the county adopting body must provide direct**
21 **notice, in addition to the public notice described in subsection (b),**
22 **to the affected local taxing unit within fifteen (15) days of the**
23 **passage of the ordinance.**

24 SECTION 58. IC 6-3.6-5-6, AS AMENDED BY P.L.174-2022,
25 SECTION 47, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
26 JANUARY 1, 2023 (RETROACTIVE)]: Sec. 6. (a) This section
27 applies to all counties.

28 (b) The adopting body may impose a tax rate under this chapter that
29 does not exceed one and twenty-five hundredths percent (1.25%) on the
30 adjusted gross income of local taxpayers in the county served by the
31 adopting body.

32 (c) Revenues from a tax under this section may be used only for the
33 purpose of funding a property tax credit applied on a percentage basis
34 to reduce the property tax liability of taxpayers with tangible property
35 located in the county as authorized under this section. Property taxes
36 imposed due to a referendum in which a majority of the voters in the
37 taxing unit imposing the property taxes approved the property taxes are
38 not eligible for a credit under this section.

39 (d) The adopting body shall specify by ordinance how the revenue
40 from the tax shall be applied under subdivisions (1) through (4) to
41 provide property tax credits in subsequent years. The allocation must
42 be specified as a percentage of property tax relief revenue for taxpayers



1 within each property category. The ordinance must be adopted as
 2 provided in IC 6-3.6-3 and takes effect and applies to property taxes as
 3 specified in IC 6-3.6-3-3. The ordinance continues to apply thereafter
 4 until it is rescinded or modified. The property tax credits may be
 5 allocated to all property categories or among any combination of the
 6 following categories:

7 (1) For homesteads eligible for a credit under IC 6-1.1-20.6-7.5
 8 that limits the taxpayer's property tax liability for the property to
 9 one percent (1%).

10 (2) For residential property, ~~long term health~~ care property,
 11 agricultural land, and other tangible property (if any) eligible for
 12 a credit under IC 6-1.1-20.6-7.5 that limits the taxpayer's property
 13 tax liability for the property to two percent (2%).

14 (3) For residential property, as defined in IC 6-1.1-20.6-4.

15 (4) For nonresidential real property, personal property, and other
 16 tangible property (if any) eligible for a credit under
 17 IC 6-1.1-20.6-7.5 that limits the taxpayer's property tax liability
 18 for the property to three percent (3%).

19 (e) Within a category described in subsection (d) for which an
 20 ordinance grants property tax credits, the property tax credit rate must
 21 be a uniform percentage for all qualifying taxpayers with property in
 22 that category in the county. The credit percentage may be, but does not
 23 have to be, uniform for all categories of property listed in subsection
 24 (d).

25 (f) The county auditor shall allocate the amount of revenue applied
 26 as tax credits under this section to the taxing units that imposed the
 27 eligible property taxes against which the credits are applied.

28 (g) If the adopting body adopts an ordinance to reduce or eliminate
 29 the property tax relief credits that are in effect in the county under this
 30 chapter, the county auditor shall give notice of the adoption of the
 31 ordinance in accordance with IC 5-3-1 not later than thirty (30) days
 32 after the date on which the ordinance is adopted.

33 SECTION 59. IC 6-3.6-6-2.8, AS ADDED BY P.L.95-2022,
 34 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 35 JULY 1, 2023]: Sec. 2.8. (a) As used in this section, "emergency
 36 medical services" has the meaning set forth in IC 16-18-2-110.

37 ~~(b) This section applies only to counties that:~~

38 ~~(1) provide emergency medical services for all local units in the~~
 39 ~~county; and~~

40 ~~(2) pay one hundred percent (100%) of the costs to provide those~~
 41 ~~services.~~

42 ~~(c) (b) The fiscal body of a county described in subsection (b) may~~



1 adopt an ordinance to impose a tax rate for emergency medical services
 2 in the county. The tax rate must be in increments of one-hundredth of
 3 one percent (0.01%) and may not exceed two-tenths of one percent
 4 (0.2%). The tax rate may not be in effect for more than twenty-five (25)
 5 years. ~~If a county fiscal body adopts an ordinance under this section;~~
 6 ~~but subsequently ceases to meet the applicability provision under~~
 7 ~~subsection (b); the tax rate imposed under the ordinance shall expire on~~
 8 ~~December 31 of the year in which the county ceases to be eligible to~~
 9 ~~enact the ordinance.~~

10 ~~(d)~~ (c) The revenue generated by a tax rate imposed under this
 11 section must be distributed directly to the county before the remainder
 12 of the expenditure rate revenue is distributed. The revenue shall be
 13 maintained in a separate dedicated county fund and used by the county
 14 only for paying for operating costs incurred by the county for
 15 emergency medical services that are provided throughout the county.

16 SECTION 60. IC 6-5.5-2-7, AS AMENDED BY P.L.129-2014,
 17 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 18 JULY 1, 2023]: Sec. 7. Notwithstanding any other provision of this
 19 article, there is no tax imposed on the adjusted gross income or
 20 apportioned income of the following:

21 (1) Insurance companies **or organizations offering nonprofit**
 22 **agricultural organization coverage** subject to the tax under any
 23 of the following:

24 (A) IC 27-1-18-2.

25 (B) IC 27-1-2-2.3.

26 (C) IC 6-3.

27 **(D) IC 6-8-15.**

28 (2) International banking facilities (as defined in Regulation D of
 29 the Board of Governors of the Federal Reserve System).

30 (3) Any corporation that is exempt from income tax under Section
 31 1363 of the Internal Revenue Code.

32 (4) Any corporation exempt from federal income taxation under
 33 the Internal Revenue Code, except for the corporation's unrelated
 34 business income. However, this exemption does not apply to a
 35 corporation exempt from federal income taxation under Section
 36 501(c)(14) of the Internal Revenue Code.

37 SECTION 61. IC 6-7-2-7, AS AMENDED BY P.L.137-2022,
 38 SECTION 68, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 39 JANUARY 1, 2024]: Sec. 7. (a) A tax is imposed on the distribution of
 40 tobacco products in Indiana at the ~~rate of:~~ **following rates:**

41 (1) Twenty-four percent (24%) of the wholesale price of tobacco
 42 products other than moist snuff. ~~or~~



(2) For moist snuff, forty cents (\$0.40) per ounce, and a proportionate tax at the same rate on all fractional parts of an ounce. If the tax calculated for a fractional part of an ounce carried to the third decimal place results in the numeral in the third decimal place being greater than four (4), the amount of the tax shall be rounded to the next additional cent.

(3) For cigars:

(A) twenty-four percent (24%) of the wholesale price of a cigar for cigars having a wholesale price not exceeding three dollars (\$3) per cigar; or

(B) seventy-two cents (\$0.72) per cigar for cigars having a wholesale price exceeding three dollars (\$3) per cigar.

(b) A tax is imposed on the distribution of alternative nicotine products in Indiana at a rate of forty cents (\$0.40) per ounce, and a proportionate tax at the same rate on all fractional parts of an ounce, calculated based upon the product weight as listed by the manufacturer. If the tax calculated for a fractional part of an ounce carried to the third decimal place being greater than four (4), the amount of the tax shall be rounded to the next additional cent.

(c) The distributor of the tobacco products or alternative nicotine products is liable for the tax imposed under subsections (a) or (b). The tax is imposed at the time the distributor:

- (1) brings or causes tobacco products or alternative nicotine products to be brought into Indiana for distribution;
- (2) manufactures tobacco products or alternative nicotine products in Indiana for distribution;
- (3) transports tobacco products or alternative nicotine products to retail dealers in Indiana for resale by those retail dealers; or
- (4) first receives the tobacco products or alternative nicotine products in Indiana in the case of a distributor or distributor transactions.

(d) The Indiana general assembly finds that the tax rate on smokeless tobacco should reflect the relative risk between such products and cigarettes.

(e) A consumer who purchases untaxed tobacco products or alternative nicotine products from a distributor or retailer is liable for the tax imposed under subsections (a) or (b).

SECTION 62. IC 6-8-15-5, AS ADDED BY P.L.154-2020, SECTION 38, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 5. **(a) Except as provided in subsection (b),** if an organization provides nonprofit agricultural organization coverage in Indiana, the organization is subject to a nonprofit agricultural



organization health coverage tax under this chapter.

(b) **A nonprofit agricultural organization may elect to be taxed under IC 6-3-1 through IC 6-3-7 for a calendar year in lieu of the nonprofit agricultural organization health coverage tax imposed under this chapter. A nonprofit agricultural organization that wishes to make an election under this subsection must file a notice of election with the commissioner of the department of state revenue on or before November 30 of the year immediately preceding the calendar year for which the election is made. An election filed with the commissioner of the department of state revenue under this subsection must state that the nonprofit agricultural organization elects to submit to the tax imposed under IC 6-3-1 through IC 6-3-7 for the year.**

SECTION 63. IC 8-1-34-16, AS AMENDED BY P.L.71-2022, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 16. (a) Except as provided in section 21 of this chapter, after June 30, 2006:

(1) the commission is the sole franchising authority (as defined in 47 U.S.C. 522(10)) for the provision of video service in Indiana; and

(2) a unit may not:

(A) require a provider to obtain a separate franchise;

(B) impose any fee **(including any fee described in section 17(e) of this chapter)**, gross receipt tax, licensing requirement, rate regulation, or build-out requirement on a provider;

(C) regulate a holder or provider; or

(D) establish, fund, or otherwise designate an agency, a board, or another subordinate entity to monitor, supervise, evaluate, or regulate the holder or provider;

except as authorized by this chapter.

(b) Except as provided in section 21 of this chapter, a person who seeks to provide video service in Indiana after June 30, 2006, shall file with the commission an application for a franchise. The application shall be made on a form prescribed by the commission and must include the following:

(1) A sworn affidavit, signed by an officer or another person authorized to bind the applicant, that affirms the following:

(A) That the applicant has filed or will timely file with the Federal Communications Commission all forms required by the Federal Communications Commission before offering video service in Indiana.



- 1 (B) That the applicant agrees to comply with all federal and
- 2 state statutes, rules, and regulations applicable to the operation
- 3 of the applicant's video service system.
- 4 (C) That the applicant agrees to:
- 5 (i) comply with any local ordinance or regulation governing
- 6 the use of public rights-of-way in the delivery of video
- 7 service; and
- 8 (ii) recognize the police powers of a unit to enforce the
- 9 ordinance or regulation.
- 10 (D) If the applicant will terminate an existing local franchise
- 11 under section 21 of this chapter, that the applicant agrees to
- 12 perform any obligations owed to any private person, as
- 13 required by section 22 of this chapter.
- 14 (2) The applicant's legal name and any name under which the
- 15 applicant does or will do business in Indiana, as authorized by the
- 16 secretary of state.
- 17 (3) The address and telephone number of the applicant's principal
- 18 place of business, along with contact information for the person
- 19 responsible for ongoing communications with the commission.
- 20 (4) The names and titles of the applicant's principal officers.
- 21 (5) The legal name, address, and telephone number of the
- 22 applicant's parent company, if any.
- 23 (6) A description of each service area in Indiana to be served by
- 24 the applicant. A service area described under this subdivision may
- 25 include an unincorporated area in Indiana.
- 26 (7) The expected date for the deployment of video service in each
- 27 of the areas identified in subdivision (6).
- 28 (8) A list of other states in which the applicant provides video
- 29 service.
- 30 (9) If the applicant will terminate an existing local franchise under
- 31 section 21(b) of this chapter, a copy of the written notice sent to
- 32 the municipality under section 21(c) of this chapter.
- 33 (10) Any other information the commission considers necessary
- 34 to:
- 35 (A) monitor the provision of video service to Indiana
- 36 customers; and
- 37 (B) prepare the commission's annual report under
- 38 IC 8-1-1-14(c)(4).
- 39 (c) This section does not empower the commission to require:
- 40 (1) an applicant to disclose confidential and proprietary business
- 41 plans and other confidential information without adequate
- 42 protection of the information; or



(2) a provider to disclose more frequently than in each odd numbered year information regarding the areas in which an applicant has deployed, or plans to deploy, video services.

The commission shall exercise all necessary caution to avoid disclosure of confidential information supplied under this section.

(d) The commission may charge a fee for filing an application under this section. Any fee charged by the commission under this subsection may not exceed the commission's actual costs to process and review the application under section 17 of this chapter.

(e) Nothing in this title may be construed to require an applicant or a provider to disclose information that identifies by census block, street address, or other similar level of specificity the areas in which the applicant or provider has deployed, or plans to deploy, video service in Indiana. The commission may not disclose, publish, or report by census block, street address, or other similar level of specificity any information identifying the areas in Indiana in which an applicant or a provider has deployed, or plans to deploy, video service.

(f) Nothing in this title may be construed to require an applicant or provider to provide the commission with information describing the applicant's or provider's programming, including the applicant's or provider's channel lineups or channel guides.

SECTION 64. IC 8-1-34-17, AS AMENDED BY P.L.86-2018, SECTION 141, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 17. (a) Not later than fifteen (15) business days after the commission receives an application under section 16 of this chapter, the commission shall determine whether the application is complete and properly verified. If the commission determines that the application is incomplete or is not properly verified, the commission shall notify the applicant of the deficiency and allow the applicant to resubmit the application after correcting the deficiency. If the commission determines that the application is complete and properly verified, the commission shall issue the applicant a certificate of franchise authority. A certificate issued under this section must contain:

(1) a grant of authority to provide the video service requested in the application;

(2) a grant of authority to use and occupy public rights-of-way in the delivery of the video service, subject to:

(A) state and local laws and regulations governing the use and occupancy of public rights-of-way; and

(B) the police powers of local units to enforce local ordinances and regulations governing the use and occupancy of public



1 rights-of-way; and
 2 (3) a statement that the authority granted under subdivisions (1)
 3 and (2) is subject to the holder's lawful provision and operation of
 4 the video service.

5 (b) Except as provided in subsection (c) and sections 16(d) and 28
 6 of this chapter, the commission may not require a provider to:

- 7 (1) satisfy any build-out requirements;
- 8 (2) deploy, or make investments in, any infrastructure, facilities,
 9 or equipment; or
- 10 (3) pay an application fee, a document fee, a state franchise fee,
 11 a service charge, or any fee other than the franchise fee paid to a
 12 local unit under section 24 of this chapter;

13 as a condition of receiving or holding a certificate under this chapter.

14 (c) This section does not limit the commission's right to enforce any
 15 obligation described in subsection (b) that a provider is subject to
 16 under the terms of a settlement agreement approved by the commission
 17 before July 29, 2004.

18 (d) The general assembly, a state agency, or a unit may not adopt a
 19 law, rule, ordinance, or regulation governing the use and occupancy of
 20 public rights-of-way that:

- 21 (1) discriminates against any provider, or is unduly burdensome
 22 with respect to any provider, based on the particular facilities or
 23 technology used by the provider to deliver video service; ~~or~~
- 24 (2) allows a video service system owned or operated by a unit to
 25 use or occupy public rights-of-way on terms or conditions more
 26 favorable or less burdensome than those that apply to other
 27 providers; **or**
- 28 **(3) imposes on a provider any fee prohibited under subsection**
 29 **(e).**

30 A law, a rule, an ordinance, or a regulation that violates this subsection
 31 is void.

32 **(e) A unit to which a provider pays a franchise fee under this**
 33 **chapter, regardless of whether the provider provides video service**
 34 **within the unit under:**

- 35 **(1) a certificate issued under this chapter; or**
- 36 **(2) an unexpired local franchise under section 21(b)(1) of this**
 37 **chapter;**

38 **may not assess with respect to the provider any permit fee,**
 39 **encroachment fee, degradation fee, or other fee that could**
 40 **otherwise be imposed on the provider for the provider's occupation**
 41 **of or work within the public right-of-way, subject to the provider's**
 42 **compliance with 47 U.S.C. 541(a)(2). However, this subsection does**



1 **not restrict the right of the unit to impose on the provider any ad**
 2 **valorem taxes or other taxes of general applicability that the unit**
 3 **lawfully imposes on other businesses owning property or operating**
 4 **within the unit.**

5 SECTION 65. IC 14-27-6-40, AS AMENDED BY P.L.38-2021,
 6 SECTION 56, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 7 JULY 1, 2023]: Sec. 40. The provisions of IC 5-1 and IC 6-1.1-20
 8 relating to the following apply to proceedings under this chapter:

9 (1) The filing of a petition requesting the issuance of bonds and
 10 giving notice of the petition.

11 (2) The giving of notice of determination to issue bonds.

12 (3) The giving of notice of hearing on the appropriation of the
 13 proceeds of bonds and the right of taxpayers to appeal and be
 14 heard on the proposed appropriation.

15 (4) The approval of the appropriation by the department of local
 16 government finance.

17 (5) The right of:

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

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

23 (6) The sale of bonds at:

24 (A) a public sale for not less than the par value; or

25 (B) alternatively, a negotiated sale after June 30, 2018, and
 26 before July 1, 2023: **2025.**

27 SECTION 66. IC 20-45-8-29 IS ADDED TO THE INDIANA
 28 CODE AS A NEW SECTION TO READ AS FOLLOWS
 29 [EFFECTIVE JULY 1, 2023]: Sec. 29. (a) **This chapter expires on**
 30 **the later of:**

31 (1) **January 1, 2045; or**

32 (2) **the date on which all bonds or lease agreements**
 33 **outstanding on July 1, 2023, for which a pledge of tax revenue**
 34 **is made under this chapter are completely paid.**

35 (b) **Not later than December 31, 2023, the fiscal officer of the**
 36 **county shall provide to the department of local government**
 37 **finance:**

38 (1) **a list of each bond or lease agreement outstanding on July**
 39 **1, 2023, for which a pledge of tax revenue is made under this**
 40 **chapter; and**

41 (2) **the date on which each bond or lease agreement identified**
 42 **in subdivision (1) will be completely paid.**



1 **The department of local government finance shall publish the**
 2 **information received under this subsection on the department's**
 3 **interactive and searchable website containing local government**
 4 **information (the Indiana gateway for governmental units).**

5 SECTION 67. IC 20-45-9 IS ADDED TO THE INDIANA CODE
 6 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE
 7 JULY 1, 2023]:

8 **Chapter 9. Dearborn County School Corporations**

9 **Sec. 1. This chapter does not apply to a qualified school**
 10 **corporation until the expiration of IC 20-45-8 under**
 11 **IC 20-45-8-29(a).**

12 **Sec. 2. As used in this chapter, "qualified school corporation"**
 13 **means a school corporation that has under its jurisdiction any**
 14 **territory located in Dearborn County.**

15 **Sec. 3. A qualified school corporation's property tax levy under**
 16 **this chapter for a calendar year is a property tax levy for the**
 17 **qualified school corporation's operations fund equal to the amount**
 18 **of the distribution that the qualified school corporation received in**
 19 **the year preceding the expiration of IC 20-45-8 under**
 20 **IC 20-45-8-29(a). The property tax levy under this chapter is part**
 21 **of the maximum permissible ad valorem property tax levy under**
 22 **IC 20-46-8-1 for the qualified school corporation's operations fund.**

23 **Sec. 4. Each calendar year, the governing body of a qualified**
 24 **school corporation may impose the property tax rate on each one**
 25 **hundred dollars (\$100) of assessed valuation of the qualified school**
 26 **corporation that is necessary to generate the qualified school**
 27 **corporation's property tax levy for the calendar year.**

28 **Sec. 5. Appropriations shall be made from the operations fund**
 29 **by the qualified school corporations as other appropriations are**
 30 **made either in the annual budget or by additional appropriations.**

31 SECTION 68. IC 20-46-1-10.1, AS AMENDED BY P.L.174-2022,
 32 SECTION 53, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 33 JULY 1, 2023]: Sec. 10.1. (a) This section applies only to a referendum
 34 to allow a school corporation to extend a referendum levy.

35 (b) The question to be submitted to the voters in the referendum
 36 must read as follows:

37 "Shall the school corporation continue to impose increased
 38 property taxes paid to the school corporation by homeowners and
 39 businesses for _____ (insert number of years) years immediately
 40 following the holding of the referendum for the purpose of
 41 funding _____ (insert short description of purposes)? The
 42 property tax increase requested in this referendum was originally



1 approved by the voters in _____ (insert the year in which the
 2 referendum tax levy was approved) and ~~originally increased if~~
 3 **extended will increase** the average property tax paid to the
 4 school corporation per year on a residence within the school
 5 corporation by _____% (insert the ~~original~~ estimated average
 6 percentage of property tax increase on a residence within the
 7 school corporation) and ~~originally increased if extended will~~
 8 **increase** the average property tax paid to the school corporation
 9 per year on a business property within the school corporation by
 10 _____% (insert the ~~original~~ estimated average percentage of
 11 property tax increase on a business within the school
 12 corporation).".

13 (c) The number of years for which a referendum tax levy may be
 14 extended if the public question under this section is approved may not
 15 exceed eight (8) years.

16 (d) At the request of the governing body of a school corporation that
 17 proposes to impose property taxes under this chapter, the county
 18 auditor of the county in which the school corporation is located shall
 19 determine the estimated average percentage of property tax increase on
 20 a homestead to be paid to the school corporation that must be included
 21 in the public question under subsection (b) as follows:

22 STEP ONE: Determine the average assessed value of a homestead
 23 located within the school corporation. ~~for the first year in which~~
 24 ~~the referendum levy was imposed.~~

25 STEP TWO: For purposes of determining the net assessed value
 26 of the average homestead located within the school corporation,
 27 subtract:

28 (A) an amount for the homestead standard deduction under
 29 IC 6-1.1-12-37 as if the homestead described in STEP ONE
 30 was eligible for the deduction; and

31 (B) an amount for the supplemental homestead deduction
 32 under IC 6-1.1-12-37.5 as if the homestead described in STEP
 33 ONE was eligible for the deduction;

34 from the result of STEP ONE.

35 STEP THREE: Divide the result of STEP TWO by one hundred
 36 (100).

37 STEP FOUR: Determine the overall average tax rate per one
 38 hundred dollars (\$100) of assessed valuation for the ~~first current~~
 39 ~~year in which the referendum levy was imposed~~ on property
 40 located within the school corporation.

41 STEP FIVE: For purposes of determining net property tax liability
 42 of the average homestead located within the school corporation:



- 1 (A) multiply the result of STEP THREE by the result of STEP
- 2 FOUR; and
- 3 (B) as appropriate, apply any currently applicable county
- 4 property tax credit rates and the credit for excessive property
- 5 taxes under IC 6-1.1-20.6-7.5(a)(1).
- 6 STEP SIX: Determine the amount of the school corporation's part
- 7 of the result determined in STEP FIVE.
- 8 STEP SEVEN: Multiply:
- 9 (A) the tax rate that will be imposed if the public question is
- 10 approved by the voters; by
- 11 (B) the result of STEP THREE.
- 12 STEP EIGHT: Divide the result of STEP SEVEN by the result of
- 13 STEP SIX, expressed as a percentage.
- 14 (e) At the request of the governing body of a school corporation that
- 15 proposes to impose property taxes under this chapter, the county
- 16 auditor of the county in which the school corporation is located shall
- 17 determine the estimated average percentage of property tax increase on
- 18 a business property to be paid to the school corporation that must be
- 19 included in the public question under subsection (b) as follows:
- 20 STEP ONE: Determine the average assessed value of business
- 21 property located within the school corporation. ~~for the first year~~
- 22 ~~in which the referendum levy was imposed.~~
- 23 STEP TWO: Divide the result of STEP ONE by one hundred
- 24 (100).
- 25 STEP THREE: Determine the overall average tax rate per one
- 26 hundred dollars (\$100) of assessed valuation for the ~~first current~~
- 27 ~~year in which the referendum levy was imposed~~ on property
- 28 located within the school corporation.
- 29 STEP FOUR: For purposes of determining net property tax
- 30 liability of the average business property located within the school
- 31 corporation:
- 32 (A) multiply the result of STEP TWO by the result of STEP
- 33 THREE; and
- 34 (B) as appropriate, apply any currently applicable county
- 35 property tax credit rates and the credit for excessive property
- 36 taxes under IC 6-1.1-20.6-7.5 as if the applicable percentage
- 37 was three percent (3%).
- 38 STEP FIVE: Determine the amount of the school corporation's
- 39 part of the result determined in STEP FOUR.
- 40 STEP SIX: Multiply:
- 41 (A) the result of STEP TWO; by
- 42 (B) the tax rate that will be imposed if the public question is



1 approved by the voters.

2 STEP SEVEN: Divide the result of STEP SIX by the result of
3 STEP FIVE, expressed as a percentage.

4 (f) The county auditor shall certify the estimated average percentage
5 of property tax increase on a homestead to be paid to the school
6 corporation determined under subsection (d), and the estimated average
7 percentage of property tax increase on a business property to be paid
8 to the school corporation determined under subsection (e), in a manner
9 prescribed by the department of local government finance, and provide
10 the certification to the governing body of the school corporation that
11 proposes to impose property taxes.

12 SECTION 69. IC 20-46-8-11 IS ADDED TO THE INDIANA
13 CODE AS A NEW SECTION TO READ AS FOLLOWS
14 [EFFECTIVE JULY 1, 2023]: **Sec. 11. (a) This chapter does not**
15 **apply to a qualified school corporation until the expiration of**
16 **IC 20-45-8 under IC 20-45-8-29(a).**

17 (b) As used in this section, "qualified school corporation" has
18 the meaning set forth in IC 20-45-9-2.

19 (c) The property tax levy limits imposed by section 1 of this
20 chapter do not apply to property taxes imposed by a qualified
21 school corporation under IC 20-45-9.

22 (d) For the purpose of computing the maximum permissible
23 operations fund property tax levy imposed on a qualified school
24 corporation by section 1 of this chapter, the qualified school
25 corporation's maximum permissible operations fund levy for a
26 particular year does not include that part of the levy described in
27 subsection (c).

28 SECTION 70. IC 20-46-9-10, AS AMENDED BY P.L.174-2022,
29 SECTION 56, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
30 JULY 1, 2023]: **Sec. 10. (a) This section applies only to a referendum**
31 **to allow a school corporation to extend a referendum tax levy.**

32 (b) The question to be submitted to the voters in the referendum
33 must read as follows:

34 "Shall the school corporation continue to impose increased
35 property taxes paid to the school corporation by homeowners and
36 businesses for _____ (insert number of years) years immediately
37 following the holding of the referendum for the purpose of
38 funding _____ (insert short description of purposes)? The
39 property tax increase requested in this referendum was originally
40 approved by the voters in _____ (insert the year in which the
41 referendum tax levy was approved) and ~~originally increased if~~
42 **extended will increase** the average property tax paid to the



1 school corporation per year on a residence within the school
 2 corporation by _____% (insert the ~~original~~ estimated average
 3 percentage of property tax increase on a residence within the
 4 school corporation) and ~~originally increased if extended will~~
 5 **increase** the average property tax paid to the school corporation
 6 per year on a business property within the school corporation by
 7 _____% (insert the ~~original~~ estimated average percentage of
 8 property tax increase on a business within the school
 9 corporation).".

10 (c) The number of years for which a referendum tax levy may be
 11 extended if the public question under this section is approved may not
 12 exceed the number of years for which the expiring referendum tax levy
 13 was imposed.

14 (d) At the request of the governing body of a school corporation that
 15 proposes to impose property taxes under this chapter, the county
 16 auditor of the county in which the school corporation is located shall
 17 determine the estimated average percentage of property tax increase on
 18 a homestead to be paid to the school corporation that must be included
 19 in the public question under subsection (b) as follows:

20 STEP ONE: Determine the average assessed value of a homestead
 21 located within the school corporation. ~~for the first year in which~~
 22 ~~the referendum levy was imposed.~~

23 STEP TWO: For purposes of determining the net assessed value
 24 of the average homestead located within the school corporation,
 25 subtract:

26 (A) an amount for the homestead standard deduction under
 27 IC 6-1.1-12-37 as if the homestead described in STEP ONE
 28 was eligible for the deduction; and

29 (B) an amount for the supplemental homestead deduction
 30 under IC 6-1.1-12-37.5 as if the homestead described in STEP
 31 ONE was eligible for the deduction;

32 from the result of STEP ONE.

33 STEP THREE: Divide the result of STEP TWO by one hundred
 34 (100).

35 STEP FOUR: Determine the overall average tax rate per one
 36 hundred dollars (\$100) of assessed valuation for the ~~first current~~
 37 **year in which the referendum levy was imposed** on property
 38 located within the school corporation.

39 STEP FIVE: For purposes of determining net property tax liability
 40 of the average homestead located within the school corporation:

41 (A) multiply the result of STEP THREE by the result of STEP
 42 FOUR; and



1 (B) as appropriate, apply any currently applicable county
 2 property tax credit rates and the credit for excessive property
 3 taxes under IC 6-1.1-20.6-7.5(a)(1).
 4 STEP SIX: Determine the amount of the school corporation's part
 5 of the result determined in STEP FIVE.
 6 STEP SEVEN: Multiply:
 7 (A) the tax rate that will be imposed if the public question is
 8 approved by the voters; by
 9 (B) the result of STEP THREE.
 10 STEP EIGHT: Divide the result of STEP SEVEN by the result of
 11 STEP SIX, expressed as a percentage.
 12 (e) At the request of the governing body of a school corporation that
 13 proposes to impose property taxes under this chapter, the county
 14 auditor of the county in which the school corporation is located shall
 15 determine the estimated average percentage of property tax increase on
 16 a business property to be paid to the school corporation that must be
 17 included in the public question under subsection (b) as follows:
 18 STEP ONE: Determine the average assessed value of business
 19 property located within the school corporation. ~~for the first year~~
 20 ~~in which the referendum levy was imposed.~~
 21 STEP TWO: Divide the result of STEP ONE by one hundred
 22 (100).
 23 STEP THREE: Determine the overall average tax rate per one
 24 hundred dollars (\$100) of assessed valuation for the ~~first current~~
 25 ~~year in which the referendum levy was imposed~~ on property
 26 located within the school corporation.
 27 STEP FOUR: For purposes of determining net property tax
 28 liability of the average business property located within the school
 29 corporation:
 30 (A) multiply the result of STEP TWO by the result of STEP
 31 THREE; and
 32 (B) as appropriate, apply any currently applicable county
 33 property tax credit rates and the credit for excessive property
 34 taxes under IC 6-1.1-20.6-7.5 as if the applicable percentage
 35 was three percent (3%).
 36 STEP FIVE: Determine the amount of the school corporation's
 37 part of the result determined in STEP FOUR.
 38 STEP SIX: Multiply:
 39 (A) the result of STEP TWO; by
 40 (B) the tax rate that will be imposed if the public question is
 41 approved by the voters.
 42 STEP SEVEN: Divide the result of STEP SIX by the result of



STEP FIVE, expressed as a percentage.

(f) The county auditor shall certify the estimated average percentage of property tax increase on a homestead to be paid to the school corporation determined under subsection (d), and the estimated average percentage of property tax increase on a business property to be paid to the school corporation determined under subsection (e), in a manner prescribed by the department of local government finance, and provide the certification to the governing body of the school corporation that proposes to impose property taxes.

SECTION 71. IC 20-48-1-4, AS AMENDED BY P.L.38-2021, SECTION 69, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 4. (a) Bonds issued by a school corporation shall be sold:

(1) at a public sale; or

(2) alternatively, at a negotiated sale after June 30, 2018, and before July 1, ~~2023~~: **2025**.

(b) If the bonds are sold at a public sale, the bonds must be sold at:

(1) not less than par value;

(2) a public sale as provided by IC 5-1-11; and

(3) any rate or rates of interest determined by the bidding.

(c) This subsection does not apply to bonds for which a school corporation:

(1) after June 30, 2008, makes a preliminary determination as described in IC 6-1.1-20-3.1 or IC 6-1.1-20-3.5 or a decision as described in IC 6-1.1-20-5; or

(2) in the case of bonds not subject to IC 6-1.1-20-3.1, IC 6-1.1-20-3.5, or IC 6-1.1-20-5, adopts a resolution or ordinance authorizing the bonds after June 30, 2008.

If the net interest cost exceeds eight percent (8%) per year, the bonds must not be issued until the issuance is approved by the department of local government finance.

SECTION 72. IC 36-1-12-4, AS AMENDED BY P.L.134-2021, SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 4. (a) This section applies whenever the cost of a public work project will be at least **the following**:

(1) Three hundred thousand dollars (\$300,000), if the political subdivision is a school corporation.

(2) One hundred fifty thousand dollars (\$150,000), if the political subdivision is not a school corporation.

(b) The board must comply with the following procedure:

(1) The board shall prepare general plans and specifications describing the kind of public work required, but shall avoid



specifications which might unduly limit competition. If the project involves the resurfacing (as defined by IC 8-14-2-1) of a road, street, or bridge, the specifications must show how the weight or volume of the materials will be accurately measured and verified.

(2) The board shall file the plans and specifications in a place reasonably accessible to the public, which shall be specified in the notice required by subdivision (3).

(3) Upon the filing of the plans and specifications, the board shall publish notice in accordance with IC 5-3-1 calling for sealed proposals for the public work needed. If the board receives electronic bids as set forth in subsection (d), the board shall also provide electronic access to the notice of the bid solicitation through the computer gateway administered under IC 4-13.1-2-2(a)(6) by the office of technology.

(4) The notice must specify the place where the plans and specifications are on file and the date fixed for receiving bids.

(5) The period of time between the date of the first publication and the date of receiving bids shall be governed by the size of the contemplated project in the discretion of the board. The period of time between the date of the first publication and receiving bids may not be more than:

(A) six (6) weeks if the estimated cost of the public works project is less than twenty-five million dollars (\$25,000,000); and

(B) ten (10) weeks if the estimated cost of the public works project is at least twenty-five million dollars (\$25,000,000).

(6) The board shall require the bidder to submit a financial statement, a statement of experience, a proposed plan or plans for performing the public work, and the equipment that the bidder has available for the performance of the public work. The statement shall be submitted on forms prescribed by the state board of accounts.

(7) The board may not require a bidder to submit a bid before the meeting at which bids are to be received. The meeting for receiving bids must be open to the public. All bids received shall be opened publicly and read aloud at the time and place designated and not before. Notwithstanding any other law, bids may be opened after the time designated if both of the following apply:

(A) The board makes a written determination that it is in the best interest of the board to delay the opening.



- 1 (B) The day, time, and place of the rescheduled opening are
- 2 announced at the day, time, and place of the originally
- 3 scheduled opening.
- 4 (8) Except as provided in subsection (c), the board shall:
- 5 (A) award the contract for public work or improvements to the
- 6 lowest responsible and responsive bidder; or
- 7 (B) reject all bids submitted.
- 8 (9) If the board awards the contract to a bidder other than the
- 9 lowest bidder, the board must state in the minutes or memoranda,
- 10 at the time the award is made, the factors used to determine which
- 11 bidder is the lowest responsible and responsive bidder and to
- 12 justify the award. The board shall keep a copy of the minutes or
- 13 memoranda available for public inspection.
- 14 (10) In determining whether a bidder is responsive, the board may
- 15 consider the following factors:
- 16 (A) Whether the bidder has submitted a bid or quote that
- 17 conforms in all material respects to the specifications.
- 18 (B) Whether the bidder has submitted a bid that complies
- 19 specifically with the invitation to bid and the instructions to
- 20 bidders.
- 21 (C) Whether the bidder has complied with all applicable
- 22 statutes, ordinances, resolutions, or rules pertaining to the
- 23 award of a public contract.
- 24 (11) In determining whether a bidder is a responsible bidder, the
- 25 board may consider the following factors:
- 26 (A) The ability and capacity of the bidder to perform the work.
- 27 (B) The integrity, character, and reputation of the bidder.
- 28 (C) The competence and experience of the bidder.
- 29 (12) The board shall require the bidder to submit an affidavit:
- 30 (A) that the bidder has not entered into a combination or
- 31 agreement:
- 32 (i) relative to the price to be bid by a person;
- 33 (ii) to prevent a person from bidding; or
- 34 (iii) to induce a person to refrain from bidding; and
- 35 (B) that the bidder's bid is made without reference to any other
- 36 bid.
- 37 (c) Notwithstanding subsection (b)(8), a county may award sand,
- 38 gravel, asphalt paving materials, or crushed stone contracts to more
- 39 than one (1) responsible and responsive bidder if the specifications
- 40 allow for bids to be based upon service to specific geographic areas and
- 41 the contracts are awarded by geographic area. The geographic areas do
- 42 not need to be described in the specifications.



(d) Notwithstanding subsection (b), a board may receive electronic bids for the public work if:

(1) the solicitation for bids indicates the procedure for transmitting the electronic bid to the board; and

(2) the board receives the bid on a facsimile machine or system with a security feature that protects the content of an electronic bid with the same degree of protection as the content of a bid that is not transmitted by a facsimile machine.

(e) A board may select a vendor to provide an electronic platform to accommodate the electronic bidding process.

SECTION 73. IC 36-1-12-4.7, AS AMENDED BY P.L.43-2019, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 4.7. (a) This section applies whenever a public work project is estimated to cost at least **the following:**

(1) Fifty thousand dollars (\$50,000) and less than ~~one hundred fifty thousand dollars (\$150,000)~~ **three hundred thousand dollars (\$300,000), if the political subdivision is a school corporation.**

(2) **Fifty thousand dollars (\$50,000) and less than one hundred fifty thousand dollars (\$150,000), if the political subdivision is not a school corporation.**

(b) The board must proceed under the following provisions:

(1) The board shall invite quotes from at least three (3) persons known to deal in the class of work proposed to be done by mailing them a notice stating that plans and specifications are on file in a specified office. The notice must be mailed not less than seven (7) days before the time fixed for receiving quotes.

(2) The board may not require a person to submit a quote before the meeting at which quotes are to be received. The meeting for receiving quotes must be open to the public. All quotes received shall be opened publicly and read aloud at the time and place designated and not before.

(3) The board shall award the contract for the public work to the lowest responsible and responsive quoter.

(4) The board may reject all quotes submitted.

SECTION 74. IC 36-1-12-4.9, AS ADDED BY P.L.176-2009, SECTION 24, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 4.9. (a) This section applies to a public work for the routine operation, routine repair, or routine maintenance of existing structures, buildings, or real property if the cost of the public work is estimated to be less than **the following:**

(1) **Three hundred thousand dollars (\$300,000) if the political**



subdivision is a school corporation.

(2) One hundred fifty thousand dollars (\$150,000), if the political subdivision is not a school corporation.

(b) The board may award a contract for a public work described in subsection (a) in the manner provided in IC 5-22.

SECTION 75. IC 36-1-12-24, AS AMENDED BY P.L.72-2018, SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 24. (a) As used in this section, "contractor" includes a subcontractor of a contractor.

(b) IC 4-13-18, regarding drug testing of employees of public works contractors, applies to a public works contract

~~(1)~~ if the estimated cost of the public works contract is at least **the following:**

(1) Three hundred thousand dollars (\$300,000), if the contract is for a public school corporation.

(2) One hundred fifty thousand dollars ~~(\$150,000); and (\$150,000), if the contract is for a political subdivision other than a school corporation.~~

~~(2) that is awarded under this chapter after June 30, 2016.~~

(c) An employee drug testing program submitted to the board under this section must have been effective and applied at the time of the solicitation for bids.

(d) A contractor who has previously filed a copy of the contractor's employee drug testing program with the board in the current calendar year or within the previous two (2) calendar years satisfies the requirement for submitting an employee drug testing program, unless the employee drug testing program has been revised.

SECTION 76. IC 36-1.5-4-38.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: **Sec. 38.5. (a) This section applies on or after January 1, 2024, and only to the legislative body of a town that has a mayor as a result of a reorganization under this article.**

(b) The town legislative body may hire or contract with competent attorneys and legal research assistants on terms it considers appropriate.

(c) Employment of an attorney under this section does not affect an executive department of law of the town.

(d) Appropriations for salaries of attorneys and legal research assistants employed under this section may not exceed the appropriations for similar salaries in the budget of an executive department of law.

SECTION 77. IC 36-1.5-4-40.5, AS AMENDED BY P.L.159-2020,



SECTION 77, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2024]: Sec. 40.5. The following apply in the case of a reorganization under this article that includes a township and another political subdivision:

(1) If the township borrowed money from a township fund under IC 36-6-6-14(c) to pay the operating expenses of the township fire department or a volunteer fire department before the reorganization:

(A) the reorganized political subdivision is not required to repay the entire loan during the following year; and

(B) the reorganized political subdivision may repay the loan in installments during the following five (5) years.

(2) Except as provided in subdivision (3):

(A) the reorganized political subdivision continues to be responsible after the reorganization for providing township services in all areas of the township, including within the territory of a municipality in the township that does not participate in the reorganization; and

(B) the reorganized political subdivision retains the powers of a township after the reorganization in order to provide township services as required by clause (A).

(3) Powers and duties of the reorganized political subdivision may be transferred as authorized in an interlocal cooperation agreement approved under IC 36-1-7 or as authorized in a cooperative agreement approved under IC 36-1.5-5.

(4) If all or part of a municipality in the township is not participating in the reorganization, not less than ten (10) township taxpayers who reside within territory that is not participating in the reorganization may file a petition with the county auditor protesting the reorganized political subdivision's township assistance levy. The petition must be filed not more than thirty (30) days after the reorganized political subdivision finally adopts the reorganized political subdivision's township assistance levy. The petition must state the taxpayers' objections and the reasons why the taxpayers believe the reorganized political subdivision's township assistance levy is excessive or unnecessary. The county auditor shall immediately certify a copy of the petition, together with other data necessary to present the questions involved, to the department of local government finance. Upon receipt of the certified petition and other data, the department of local government finance shall fix a time and place for the hearing of the matter. The hearing shall be held not less than five (5) days



and not more than thirty (30) days after the receipt of the certified documents. The hearing shall be held in the county where the petition arose. Notice of the hearing shall be given by the department of local government finance to the reorganized political subdivision and to the first ten (10) taxpayer petitioners listed on the petition by letter. The letter shall be sent to the first ten (10) taxpayer petitioners at the taxpayers' usual place of residence at least five (5) days before the date of the hearing. After the hearing, the department of local government finance may reduce the reorganized political subdivision's township assistance levy to the extent that the levy is excessive or unnecessary. A taxpayer who signed a petition under this subdivision or a reorganized political subdivision against which a petition under this subdivision is filed may petition for judicial review of the final determination of the department of local government finance under this subdivision. The petition must be filed in the tax court not more than forty-five (45) days after the date of the department of local government finance's final determination.

(5) Section 40 of this chapter applies to the debt service levy of the reorganized political subdivision and to the department of local government finance's determination of the new maximum permissible ad valorem property tax levy for the reorganized political subdivision.

(6) The reorganized political subdivision may not borrow money under IC 36-6-6-14(b) or IC 36-6-6-14(c).

(7) The new maximum permissible ad valorem property tax levy for the reorganized political subdivision's firefighting **and emergency services** fund under ~~IC 36-8-13-4~~ **IC 36-8-13-4(a)(1) or the combined levies for the township firefighting fund and township emergency services fund described in IC 36-8-13-4(a)(2)** is equal to:

(A) the result of:

- (i) the maximum permissible ad valorem property tax levy for the township's firefighting **and emergency services** fund under ~~IC 36-8-13-4~~ **IC 36-8-13-4(a)(1) or the combined ad valorem property tax levies for the township firefighting fund and township emergency services fund described in IC 36-8-13-4(a)(2), as applicable**, in the year preceding the year in which the reorganization is effective; multiplied by
- (ii) the maximum levy growth quotient applicable for property taxes first due and payable in the year in which the



1 reorganization is effective; plus

2 (B) any amounts borrowed by the township under
3 IC 36-6-6-14(b) or IC 36-6-6-14(c) in the year preceding the
4 year in which the reorganization is effective.

5 SECTION 78. IC 36-2-11-24 IS REPEALED [EFFECTIVE JULY
6 1, 2023]. ~~Sec. 24. The county recorder shall, on or before the 20th day~~
7 ~~of each month, furnish the county auditor a list of the mortgage releases~~
8 ~~recorded during the prior month. The list shall set forth the full name~~
9 ~~of the mortgagor, the book and page numbers of the original mortgage,~~
10 ~~the amount being released, and the date of the release.~~

11 SECTION 79. IC 36-3-5-8, AS AMENDED BY P.L.38-2021,
12 SECTION 81, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
13 JULY 1, 2023]: Sec. 8. (a) This section applies whenever a special
14 taxing district of the consolidated city has the power to issue bonds,
15 notes, or warrants.

16 (b) Before any bonds, notes, or warrants of a special taxing district
17 may be issued, the issue must be approved by resolution of the
18 legislative body of the consolidated city.

19 (c) Any bonds of a special taxing district must be issued in the
20 manner prescribed by statute for that district, and the board of the
21 department having jurisdiction over the district shall:

22 (1) hold all required hearings;

23 (2) adopt all necessary resolutions; and

24 (3) appropriate the proceeds of the bonds;

25 in that manner. However, the legislative body shall levy each year the
26 special tax required to pay the principal of and interest on the bonds
27 and any bank paying charges.

28 (d) Notwithstanding any other statute, bonds of a special taxing
29 district may:

30 (1) be dated;

31 (2) be issued in any denomination;

32 (3) except as otherwise provided by IC 5-1-14-10, mature at any
33 time or times not exceeding fifty (50) years after their date; and

34 (4) be payable at any bank or banks;

35 as determined by the board. If the bonds are sold at a public sale, the
36 interest rate or rates that the bonds will bear must be determined by
37 bidding, notwithstanding IC 5-1-11-3.

38 (e) Bonds of a special taxing district are subject to the provisions of
39 IC 5-1 and IC 6-1.1-20 relating to the following:

40 (1) The filing of a petition requesting the issuance of bonds and
41 giving notice of the petition.

42 (2) The giving of notice of a hearing on the appropriation of the



proceeds of bonds.

(3) The right of taxpayers to appear and be heard on the proposed appropriation.

(4) The approval of the appropriation by the department of local government finance.

(5) The right of:

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

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

(6) The sale of bonds at a public sale or at a negotiated sale after June 30, 2018, and before July 1, ~~2023~~; **2025**.

(7) The maximum term or repayment period provided by IC 5-1-14-10.

SECTION 80. IC 36-6-6-14, AS AMENDED BY P.L.203-2016, SECTION 24, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2024]: Sec. 14. (a) At any special meeting, if two (2) or more members give their consent, the legislative body may determine whether there is a need for fire and emergency services or other emergency requiring the expenditure of money not included in the township's budget estimates and levy.

(b) Subject to section 14.5 of this chapter, if the legislative body finds that a need for fire and emergency services or other emergency exists, it may issue a special order, entered and signed on the record, authorizing the executive to borrow a specified amount of money sufficient to meet the emergency. However, the legislative body may not authorize the executive to borrow money under this subsection in more than three (3) calendar years during any five (5) year period.

(c) Notwithstanding IC 36-8-13-4(a), the legislative body may authorize the executive to borrow a specified sum from a township fund other than the township firefighting **or emergency services** fund, **or if applicable, the township firefighting fund or township emergency services fund** if the legislative body finds that the emergency requiring the expenditure of money is related to paying the operating expenses of a township fire department or a volunteer fire department. At its next annual session, the legislative body shall cover the debt created by making a levy to the credit of the fund for which the amount was borrowed under this subsection.

(d) In determining whether a fire and emergency services need exists requiring the expenditure of money not included in the township's budget estimates and levy, the legislative body and any



1 reviewing authority considering the approval of the additional
2 borrowing shall consider the following factors:

3 (1) The current and projected certified and noncertified public
4 safety payroll needs of the township.

5 (2) The current and projected need for fire and emergency
6 services within the jurisdiction served by the township.

7 (3) Any applicable national standards or recommendations for the
8 provision of fire protection and emergency services.

9 (4) Current and projected growth in the number of residents and
10 other citizens served by the township, emergency service runs,
11 certified and noncertified personnel, and other appropriate
12 measures of public safety needs in the jurisdiction served by the
13 township.

14 (5) Salary comparisons for certified and noncertified public safety
15 personnel in the township and other surrounding or comparable
16 jurisdictions.

17 (6) Prior annual expenditures for fire and emergency services,
18 including all amounts budgeted under this chapter.

19 (7) Current and projected growth in the assessed value of property
20 requiring protection in the jurisdiction served by the township.

21 (8) Other factors directly related to the provision of public safety
22 within the jurisdiction served by the township.

23 (e) In the event the township received additional funds under this
24 chapter in the immediately preceding budget year for an approved
25 expenditure, any reviewing authority shall take into consideration the
26 use of the funds in the immediately preceding budget year and the
27 continued need for funding the services and operations to be funded
28 with the proceeds of the loan.

29 SECTION 81. IC 36-7-14-1.7, AS ADDED BY P.L.95-2022,
30 SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
31 JANUARY 1, 2023 (RETROACTIVE)]: Sec. 1.7. Notwithstanding any
32 other law, ~~for:~~

33 ~~(1) areas needing redevelopment;~~

34 ~~(2) redevelopment project areas;~~

35 ~~(3) urban renewal project areas; or~~

36 ~~(4) economic development areas;~~

37 ~~established after December 31, 2021;~~ this chapter does not apply to the
38 part of a participating unit's proceeds of property taxes imposed for an
39 assessment date with respect to which the allocation and distribution
40 is made that are attributable to property taxes imposed to meet the
41 participating unit's obligations to a fire protection territory established
42 under IC 36-8-19 **after December 31, 2022.**



SECTION 82. IC 36-7-14-19.5, AS AMENDED BY P.L.183-2018, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 19.5. (a) Notwithstanding section 19 of this chapter, a redevelopment commission may purchase property in accordance with this section that the redevelopment commission determines is:

- (1) blighted;
- (2) unsafe;
- (3) abandoned;
- (4) foreclosed; or
- (5) structurally damaged;

from a willing seller.

(b) A redevelopment commission may purchase property described in subsection (a) as follows:

- (1) The redevelopment commission may purchase the property if:
 - (A) the sale price of the property is not more than ~~twenty-five thousand dollars (\$25,000)~~ **fifty thousand dollars (\$50,000)** or the property is for sale by another governmental agency; and
 - (B) the redevelopment commission:
 - (i) has a sufficient fund balance available; or
 - (ii) issues an obligation from public funds; for the purchase of the property.

(2) If the sale price of the property is greater than ~~twenty-five thousand dollars (\$25,000)~~ **fifty thousand dollars (\$50,000)**, a redevelopment commission shall obtain two (2) independent appraisals of fair market value of the property. Any agreement by the redevelopment commission to:

- (A) make a purchase under this subdivision that exceeds the greater of the two (2) appraisals;
- (B) make payments for the property to be purchased for a term exceeding three (3) years; or
- (C) pay a purchase price for the property that exceeds five million dollars (\$5,000,000);

is subject to prior approval of the legislative body of the unit.

(c) Negotiations for the purchase of property may be carried on directly by the redevelopment commission, by its employees, or by expert negotiations, but no option, contract, or understanding relative to the purchase of real property is binding on the commission until approved and accepted by the commission in writing. The commission may authorize the payment of a nominal fee to bind an option and as a part of the consideration for conveyance may agree to pay the expense



1 incident to the conveyance and determination of the title to the
 2 property. Payment for the property purchase shall be made when and
 3 as directed by the commission but only on delivery of proper
 4 instruments conveying the title or interest of the owner to the "City (or
 5 Town or County) of _____, Department of Redevelopment".

6 (d) All real property and interests in real property acquired by the
 7 redevelopment commission are free and clear of all governmental liens,
 8 assessments, and other governmental charges except for current
 9 property taxes, which must be prorated to the date of acquisition.

10 SECTION 83. IC 36-7-18-31, AS AMENDED BY P.L.38-2021,
 11 SECTION 93, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 12 JULY 1, 2023]: Sec. 31. (a) Issues of bonds, notes, or warrants of a
 13 housing authority must be approved by the fiscal body of the unit after
 14 a public hearing, with notice of the time, place, and purpose of the
 15 hearing given by publication in accordance with IC 5-3-1. The bonds,
 16 notes, or warrants must then be authorized by resolution of the
 17 authority.

18 (b) After the bonds, notes, or warrants have been approved under
 19 subsection (a), they may be issued in one (1) or more series, with the:

- 20 (1) dates;
- 21 (2) maturities;
- 22 (3) denominations;
- 23 (4) form, either coupon or registered;
- 24 (5) conversion or registration privileges;
- 25 (6) rank or priority;
- 26 (7) manner of execution;
- 27 (8) medium of payment;
- 28 (9) places of payment; and
- 29 (10) terms of redemption, with or without premium;

30 provided by the resolution or its trust indenture or mortgage.

31 (c) The bonds, notes, or warrants shall be sold at a public sale under
 32 IC 5-1-11, for not less than par value, after notice published in
 33 accordance with IC 5-3-1. However, they may be sold at not less than
 34 par value to the federal government:

- 35 (1) at private sale without any public advertisement; or
- 36 (2) alternatively, at a negotiated sale after July 1, 2018, and before
 37 June 30, ~~2023~~ **2025**.

38 (d) If any of the commissioners or officers of the housing authority
 39 whose signatures appear on any bonds, notes, or warrants or coupons
 40 cease to be commissioners or officers before the delivery, exchange, or
 41 substitution of the bonds, notes, or warrants, their signatures remain
 42 valid and sufficient for all purposes, as if they had remained in office



1 until the delivery, exchange, or substitution.

2 (e) Subject to provision for registration and notwithstanding any
3 other law, any bonds, notes, or warrants issued under this chapter are
4 fully negotiable.

5 (f) In any proceedings involving the validity or enforceability of any
6 bond, note, or warrant of a housing authority or of its security, if the
7 instrument states that it has been issued by the authority to aid in
8 financing a housing project to provide dwelling accommodations for
9 persons of low income, it shall be conclusively presumed to have been
10 issued for that purpose and the project shall be conclusively presumed
11 to have been planned, located, and constructed in accordance with this
12 chapter.

13 SECTION 84. IC 36-7.5-4.5-7, AS ADDED BY P.L.248-2017,
14 SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
15 JULY 1, 2023]: Sec. 7. As used in this chapter, "gross retail tax base
16 period amount" means the aggregate amount of state gross retail taxes
17 remitted under IC 6-2.5 by retail merchants for the calendar year ~~that~~
18 ~~precedes the date on in~~ which the district was established under this
19 chapter as determined by the department.

20 SECTION 85. IC 36-7.5-4.5-9, AS ADDED BY P.L.248-2017,
21 SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
22 JULY 1, 2023]: Sec. 9. **(a)** As used in this chapter, "local income tax
23 base period amount" means the total amount of local income tax
24 (IC 6-3.6) paid by:

25 **(1)** employees employed within a district with respect to wages
26 and salary earned for work in the district; **and**

27 **(2) residents living within the district;**

28 for the calendar year ~~that precedes the date on in~~ which the district was
29 established under this chapter as determined by the department.

30 **(b) If an individual is a resident of one (1) district and is**
31 **employed within another district during a calendar year, the local**
32 **income tax for the individual shall be attributed to the district in**
33 **which the individual resides.**

34 SECTION 86. IC 36-7.5-4.5-10, AS ADDED BY P.L.248-2017,
35 SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
36 JULY 1, 2023]: Sec. 10. **(a)** As used in this chapter, "local income tax
37 increment revenue" means the remainder of:

38 **(1)** the total amount of local income tax (IC 6-3.6) paid by:

39 **(A)** employees employed in the district with respect to wages
40 and salary earned for work in the territory comprising the
41 district for a particular calendar year; ~~minus~~ **and**

42 **(B) residents living within the district; minus**



(2) the local income tax base period amount;
as determined by the department.

(b) If an individual is a resident of one (1) district and is employed within another district during a calendar year, the local income tax for the individual shall be attributed to the district in which the individual resides.

SECTION 87. IC 36-7.5-4.5-13, AS ADDED BY P.L.248-2017, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 13. **(a)** As used in this chapter, "state income tax base period amount" means the aggregate amount of state adjusted gross income taxes paid or remitted by or on behalf of:

(1) employees employed within a district during the calendar year that precedes the date on which the district was established under this chapter with respect to wages and salary earned for work in the territory comprising the district; as determined by the department; with respect to wages and salary earned for work in the district; and

(2) residents living within the district; for the calendar year in which the district was established under this chapter, as determined by the department.

(b) If an individual is a resident of one (1) district and is employed within another district during a calendar year, the state income tax for the individual shall be attributed to the district in which the individual resides.

SECTION 88. IC 36-7.5-4.5-14, AS ADDED BY P.L.248-2017, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 14. **(a)** As used in this chapter, "state income tax increment revenue" means the remainder of:

(1) the aggregate amount of state adjusted gross income taxes paid or remitted during for a calendar year with respect to:

(A) wages and salary earned for work in the territory comprising a district; minus and

(B) income earned by residents living within the district; minus

(2) the state income tax base period amount.

(b) If an individual is a resident of one (1) district and is employed within another district during a calendar year, the state income tax for the individual shall be attributed to the district in which the individual resides.

SECTION 89. IC 36-7.5-4.5-27, AS ADDED BY P.L.248-2017, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 27. **(a)** If a district is established, the treasurer of



1 state shall establish a local income tax increment fund and an account
 2 for each district established under this chapter for deposit of local
 3 income tax increment revenue for that district.

4 (b) The funds shall be administered by the treasurer of state. Money
 5 in a fund does not revert to the state general fund at the end of a state
 6 fiscal year.

7 (c) The total amount of local income tax (IC 6-3.6) paid by:

8 (1) employees employed in a district with respect to wages earned
 9 for work performed in the district; and

10 (2) residents living in the district;

11 shall be deposited in the district's account within the local income tax
 12 increment fund. **If an individual is a resident of one (1) district and**
 13 **is employed within another district, only the local income tax for**
 14 **the district in which the individual resides shall be deposited into**
 15 **the local income tax increment fund.** For each district, the budget
 16 agency shall determine and transfer to the appropriate county account
 17 under IC 6-3.6-9 an amount equal to the local income tax base period
 18 amount for the district.

19 (d) The budget agency shall determine and transfer any amount of
 20 the local income tax increment revenue that will not be disbursed to the
 21 development authority or redevelopment commission to the appropriate
 22 county account under IC 6-3.6-9.

23 SECTION 90. IC 36-7.5-4.5-28, AS ADDED BY P.L.248-2017,
 24 SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 25 JULY 1, 2023]: Sec. 28. (a) Not later than ~~sixty (60) days after~~
 26 ~~receiving a copy of the resolution establishing a district,~~ **November 30**
 27 **of the year following the establishment of a district under this**
 28 **chapter, or November 30, 2024, whichever is later,** the department
 29 shall determine the following for that district:

30 (1) The state income tax base period amount.

31 (2) The gross retail tax base period amount.

32 (3) The local income tax base period amount.

33 (b) ~~Before October 1~~ **December 1** of each year, beginning in ~~2018;~~
 34 **the year two (2) years following the establishment of the district**
 35 **under this chapter,** the department shall determine the following for
 36 each district for the preceding calendar year:

37 (1) The state income tax increment revenue.

38 (2) The gross retail tax increment revenue.

39 (3) The local income tax increment revenue.

40 (c) The department shall notify the budget agency and the
 41 development authority of each base period amount and annually each
 42 increment revenue amount.



(d) Before ~~November 1~~ **December 15** of each calendar year, the department shall determine and certify to the Indiana finance authority and the development authority the following:

- (1) The state income tax increment revenue.
- (2) The gross retail tax increment revenue.
- (3) The local income tax increment revenue for each district.
- (4) The extent to which the sum of the state income tax increment revenue and gross retail tax increment revenue certified under this subsection for all districts exceeds the sum of the amounts previously appropriated by the general assembly to the development authority for rail projects (including any amounts appropriated for debt service payments made by the Indiana finance authority for a rail project).

(e) Beginning in the following calendar year, the auditor of state shall distribute from a district's account within the local income tax increment fund to the development authority or redevelopment commission, in the case of a district located in a cash participant county, on or before ~~the twentieth day of each month one-twelfth (1/12)~~ **of March 1**, the lesser of:

- (1) the amount of local income tax increment revenue specified by the development authority or redevelopment commission; or
- (2) the certified local income tax increment revenue amount for that district.

(f) The development authority or redevelopment commission shall deposit the local income tax increment revenue it receives in the appropriate district account in the south shore improvement and development fund.

(g) Notwithstanding subsection (a), if the department determines that an amount determined under section 7, 8, 9, 10, 13, or 14 of this chapter is in error, the department shall redetermine any erroneous amounts and notify the budget agency and development authority of any redetermination. If the department determines that the redetermination of an amount affects incremental tax amounts determined under subsection (b), the department shall recompute the incremental tax amounts and make any necessary adjustments to distributions or computations to reflect any redetermination.

(h) A municipality that includes more than one (1) transit development district may share its increment revenue among the transit development districts upon approval of the legislative body of the municipality.

SECTION 91. IC 36-8-11-12 IS AMENDED TO READ AS

EH 1454—LS 7062/DI 134



1 FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 12. **(a) This section**
 2 **does not apply to the appointment of a governing board under**
 3 **section 12.5 of this chapter.**

4 ~~(a)~~ **(b)** Within thirty (30) days after the ordinance or resolution
 5 establishing the district becomes final, the county legislative body shall
 6 appoint a board of fire trustees. The trustees must be qualified by
 7 knowledge and experience in matters pertaining to fire protection and
 8 related activities in the district. A person who:

9 (1) is a party to a contract with the district; or

10 (2) is a member, an employee, a director, or a shareholder of any
 11 corporation or association that has a contract with the district;
 12 may not be appointed or serve as a trustee. The legislative body shall
 13 appoint one (1) trustee from each township or part of a township
 14 contained in the district and one (1) trustee from each municipality
 15 contained in the district. If the number of trustees selected by this
 16 method is an even number, the legislative body shall appoint one (1)
 17 additional trustee so that the number of trustees is always an odd
 18 number. If the requirements of this section do not provide at least three
 19 (3) trustees, the legislative body shall make additional appointments so
 20 that there is a minimum of three (3) trustees.

21 ~~(b)~~ **(c)** The original trustees shall be appointed as follows:

22 (1) One (1) for a term of one (1) year.

23 (2) One (1) for a term of two (2) years.

24 (3) One (1) for a term of three (3) years.

25 (4) All others for a term of four (4) years.

26 The terms expire on the first Monday of January of the year their
 27 appointments expire. As the terms expire, each new appointment is for
 28 a term of four (4) years.

29 ~~(c)~~ **(d)** If a vacancy occurs on the board, the county legislative body
 30 shall appoint a trustee with the qualifications specified in subsection ~~(a)~~
 31 **(b)** for the unexpired term.

32 SECTION 92. IC 36-8-11-12.5 IS ADDED TO THE INDIANA
 33 CODE AS A NEW SECTION TO READ AS FOLLOWS
 34 [EFFECTIVE JULY 1, 2023]: Sec. 12.5. **(a) This section applies only**
 35 **to a county for which a fire protection district includes all of the**
 36 **incorporated and unincorporated area of the county.**

37 **(b) The county legislative body may adopt an ordinance to**
 38 **establish a nine (9) member governing board for the fire protection**
 39 **district. The ordinance must provide that the governing board**
 40 **consists of the following:**

41 **(1) Eight (8) governing board members appointed by the**
 42 **county legislative body who meet the following requirements:**



(A) Each governing board member must be an active member of the board of fire trustees at the time of appointment to the governing board. Upon appointment to the governing board, the individual ceases to be a member of the board of fire trustees.

(B) Two (2) governing board members must reside in each of the following four (4) geographic areas of the county that contain as nearly as possible, equal area in square miles:

(i) Northwest.

(ii) Northeast.

(iii) Southwest.

(iv) Southeast.

(2) One (1) governing board member who is a member of the county executive and serves on the board by virtue of their office. Notwithstanding section 14(c) of this chapter, the member may not receive any compensation for serving on the governing board but may be compensated for expenses.

(c) Beginning on the date specified in the ordinance establishing the governing board, the following occurs:

(1) Only the governing board shall have the powers and duties of a board of fire trustees that are set forth in section 15 of this chapter or in any other statute. Unless expressly provided otherwise, any reference in this chapter or other statute to a board of fire trustees or a member of the board of fire trustees is a reference to the governing board or a member of the governing board.

(2) The board of fire trustees:

(A) continues in existence solely as an advisory body to the governing board; and

(B) does not have any of the powers and duties of a board of fire trustees that are set forth in section 15 of this chapter or in any other statute.

Sections 12, 13, and 14 of this chapter continue to apply to the administration of the board of fire trustees.

(d) Except as provided in subsection (e), the term of a member appointed to the governing board is four (4) years. The terms expire on the first Monday of January of the year their appointments expire.

(e) The county legislative body may provide, in the ordinance establishing the governing board, for the staggering of the terms of the original governing board members appointed under subsection



1 (b)(1).

2 (f) If a vacancy occurs on the governing board, the county
3 legislative body shall appoint a member with the qualifications set
4 forth in this section for the unexpired term.

5 SECTION 93. IC 36-8-11-15, AS AMENDED BY P.L.127-2017,
6 SECTION 270, IS AMENDED TO READ AS FOLLOWS
7 [EFFECTIVE JULY 1, 2023]: Sec. 15. (a) The board:

8 (1) has the same powers and duties as a township executive with
9 respect to fire protection functions, including those duties and
10 powers prescribed by IC 36-8-13, although all cooperative and
11 joint actions permitted by that chapter must be undertaken
12 according to this chapter;

13 (2) has the same powers and duties as a township executive
14 relative to contracting with volunteer firefighting companies, as
15 prescribed by IC 36-8-12 and IC 36-8-13;

16 (3) shall appoint, fix the compensation, and prescribe the duties
17 of a fiscal officer, secretarial staff, persons performing special and
18 temporary services or providing legal counsel, and other
19 personnel considered necessary for the proper functioning of the
20 district; however, a person appointed as fiscal officer must be
21 bonded by good and sufficient sureties in an amount ordered by
22 the county legislative body to protect the district from financial
23 loss;

24 (4) shall exercise general supervision of and make regulations for
25 the administration of the district's affairs;

26 (5) shall prescribe uniform rules pertaining to investigations and
27 hearings;

28 (6) shall supervise the fiscal affairs and responsibilities of the
29 district;

30 (7) may delegate to employees of the district the authority to
31 perform ministerial acts, except in cases in which final action of
32 the board is necessary;

33 (8) shall keep accurate and complete records of all departmental
34 proceedings, record and file all bonds and contracts, and assume
35 responsibility for the custody and preservation of all papers and
36 documents of the district;

37 (9) shall make an annual report to the executive and the fiscal
38 body of the county that at least lists the financial transactions of
39 the district and a statement of the progress in accomplishing the
40 purposes for which the district has been established;

41 (10) shall adopt a seal and certify all official acts;

42 (11) may sue and be sued collectively by its legal name:



(A) ("Board of Fire Trustees, _____ Fire Protection District"); or

(B) ("Governing Board of _____ Fire Protection District"), if a governing board for the district is appointed under section 12.5 of this chapter;

with service of process made on the chair of the board, but costs may not be taxed against the members individually in an action; (12) may invoke any legal, equitable, or special remedy for the enforcement of this chapter or of proper action of the board taken in a court;

(13) shall prepare and submit to the fiscal body of the county an annual budget for operation and maintenance expenses and for the retirement of obligations of the district, subject to review and approval by the fiscal body;

(14) may, if advisable, establish one (1) or more advisory committees, **however in a county that adopts an ordinance under section 12.5 of this chapter, the board of fire trustees shall be an advisory body to the governing board;**

(15) may enter into agreements with and accept money from a federal or state agency and enter into agreements with a municipality located within or outside the district, whether or not the municipality is a part of the district, for a purpose compatible with the purposes for which the district exists and with the interests of the municipality;

(16) may accept gifts of money or other property to be used for the purposes for which the district is established;

(17) may levy taxes at a uniform rate on the real and personal property within the district;

(18) may issue bonds and tax anticipation warrants;

(19) may incur other debts and liabilities;

(20) may purchase or rent property;

(21) may sell services or property that are produced incident to the operations of the district making a fair and reasonable charge for it;

(22) may make contracts or otherwise enter into agreements with public or private persons and federal or state agencies for construction, maintenance, or operations of or in part of the district;

(23) may receive and disburse money; and

(24) may impose a false alarm fee or service charge under IC 36-8-13-4.

(b) Powers granted by this chapter may be used only to accomplish



the purpose or purposes as stated in the ordinance or resolution establishing the district. However, an act of the board necessary and proper to accomplish the purposes for which the district is established is not invalid because it incidentally accomplishes a purpose other than one for which the district is established.

SECTION 94. IC 36-8-12-13, AS AMENDED BY P.L.10-2019, SECTION 140, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2024]: Sec. 13. (a) Except as provided in subsection (b), the volunteer fire department that responds first to an incident may impose a charge on the owner of property, the owner of a vehicle, or a responsible party (as defined in IC 13-11-2-191(d)) that is involved in a hazardous material or fuel spill or chemical or hazardous material related fire (as defined in IC 13-11-2-96(b)):

(1) that is responded to by the volunteer fire department; and

(2) that members of that volunteer fire department assisted in extinguishing, containing, or cleaning up.

A second or subsequently responding volunteer fire department may not impose a charge on an owner or responsible party under this section, although it may be entitled to reimbursement from the first responding volunteer fire department in accordance with an interlocal or other agreement.

(b) A volunteer fire department that is funded, in whole or in part:

(1) by taxes imposed by a unit; or

(2) by a contract with a unit;

may not impose a charge under subsection (a) on a natural person who resides or pays property taxes within the boundaries of the unit described in subdivision (1) or (2), unless the spill or the chemical or hazardous material fire poses an imminent threat to persons or property.

(c) The volunteer fire department shall bill the owner or responsible party of the vehicle for the total dollar value of the assistance that was provided, with that value determined by a method that the state fire marshal shall establish under section 16 of this chapter. A copy of the fire incident report to the state fire marshal must accompany the bill. This billing must take place within thirty (30) days after the assistance was provided. The owner or responsible party shall remit payment directly to the governmental unit providing the service. Any money that is collected under this section may be:

(1) deposited in the township firefighting **and emergency services** fund established in ~~IC 36-8-13-4~~; **IC 36-8-13-4(a)(1) or the township firefighting fund established in IC 36-8-13-4(a)(2)(A);**



(2) used to pay principal and interest on a loan made by the department of homeland security established by IC 10-19-2-1 or a division of the department for the purchase of new or used firefighting and other emergency equipment or apparatus; or

(3) used for the purchase of equipment, buildings, and property for firefighting, fire protection, and other emergency services.

(d) Any administrative fees charged by a fire department's agent must be paid only from fees that are collected and allowed by Indiana law and the fire marshal's schedule of fees.

(e) An agent who processes fees on behalf of a fire department shall send all bills, notices, and other related materials to both the fire department and the person being billed for services.

(f) All fees allowed by Indiana law and the fire marshal's fee schedule must be itemized separately from any other charges.

(g) The volunteer fire department may maintain a civil action to recover an unpaid charge that is imposed under subsection (a) and may, if it prevails, recover all costs of the action, including reasonable attorney's fees.

SECTION 95. IC 36-8-12-16, AS AMENDED BY P.L.208-2011, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2024]: Sec. 16. (a) A volunteer fire department that provides service within a jurisdiction served by the department may establish a schedule of charges for the services that the department provides not to exceed the state fire marshal's recommended schedule for services. The volunteer fire department or its agent may collect a service charge according to this schedule from the owner of property that receives service if the following conditions are met:

(1) At the following times, the department gives notice under IC 5-3-1-4(d) in each political subdivision served by the department of the amount of the service charge for each service that the department provides:

(A) Before the schedule of service charges is initiated.

(B) When there is a change in the amount of a service charge.

(2) The property owner has not sent written notice to the department to refuse service by the department to the owner's property.

(3) The bill for payment of the service charge:

(A) is submitted to the property owner in writing within thirty

(30) days after the services are provided;

(B) includes a copy of a fire incident report in the form prescribed by the state fire marshal, if the service was provided for an event that requires a fire incident report;



- 1 (C) must contain verification that the bill has been approved
- 2 by the chief of the volunteer fire department; and
- 3 (D) must contain language indicating that correspondence
- 4 from the property owner and any question from the property
- 5 owner regarding the bill should be directed to the department.
- 6 (4) Payment is remitted directly to the governmental unit
- 7 providing the service.
- 8 (b) A volunteer fire department shall use the revenue collected from
- 9 the fire service charges under this section:
- 10 (1) for the purchase of equipment, buildings, and property for
- 11 firefighting, fire protection, or other emergency services;
- 12 (2) for deposit in the township firefighting **and emergency**
- 13 **services** fund established under ~~IC 36-8-13-4~~; **IC 36-8-13-4(a)(1)**
- 14 **or the township firefighting fund established under**
- 15 **IC 36-8-13-4(a)(2)(A)**; or
- 16 (3) to pay principal and interest on a loan made by the department
- 17 of homeland security established by IC 10-19-2-1 or a division of
- 18 the department for the purchase of new or used firefighting and
- 19 other emergency equipment or apparatus.
- 20 (c) Any administrative fees charged by a fire department's agent
- 21 must be paid only from fees that are collected and allowed by Indiana
- 22 law and the fire marshal's schedule of fees.
- 23 (d) An agent who processes fees on behalf of a fire department shall
- 24 send all bills, notices, and other related materials to both the fire
- 25 department and the person being billed for services.
- 26 (e) All fees allowed by Indiana law and the fire marshal's fee
- 27 schedule must be itemized separately from any other charges.
- 28 (f) If at least twenty-five percent (25%) of the money received by a
- 29 volunteer fire department for providing fire protection or emergency
- 30 services is received under one (1) or more contracts with one (1) or
- 31 more political subdivisions (as defined in IC 34-6-2-110), the
- 32 legislative body of a contracting political subdivision must approve the
- 33 schedule of service charges established under subsection (a) before the
- 34 schedule of service charges is initiated in that political subdivision.
- 35 (g) A volunteer fire department that:
- 36 (1) has contracted with a political subdivision to provide fire
- 37 protection or emergency services; and
- 38 (2) charges for services under this section;
- 39 must submit a report to the legislative body of the political subdivision
- 40 before April 1 of each year indicating the amount of service charges
- 41 collected during the previous calendar year and how those funds have
- 42 been expended.



1 (h) The state fire marshal shall annually prepare and publish a
2 recommended schedule of service charges for fire protection services.

3 (i) The volunteer fire department or its agent may maintain a civil
4 action to recover an unpaid service charge under this section and may,
5 if it prevails, recover all costs of the action, including reasonable
6 attorney's fees.

7 SECTION 96. IC 36-8-12-17, AS AMENDED BY P.L.208-2011,
8 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
9 JANUARY 1, 2024]: Sec. 17. (a) If a political subdivision has not
10 imposed its own false alarm fee or service charge, a volunteer fire
11 department that provides service within the jurisdiction may establish
12 a service charge for responding to false alarms. The volunteer fire
13 department may collect the false alarm service charge from the owner
14 of the property if the volunteer fire department dispatches firefighting
15 apparatus or personnel to a building or premises in the township in
16 response to:

17 (1) an alarm caused by improper installation or improper
18 maintenance; or

19 (2) a drill or test, if the fire department is not previously notified
20 that the alarm is a drill or test.

21 However, if the owner of property that constitutes the owner's residence
22 establishes that the alarm is under a maintenance contract with an
23 alarm company and that the alarm company has been notified of the
24 improper installation or maintenance of the alarm, the alarm company
25 is liable for the payment of the fee or service charge.

26 (b) Before establishing a false alarm service charge, the volunteer
27 fire department must provide notice under IC 5-3-1-4(d) in each
28 political subdivision served by the department of the amount of the
29 false alarm service charge. The notice required by this subsection must
30 be given:

31 (1) before the false alarm service charge is initiated; and

32 (2) before a change in the amount of the false alarm service
33 charge.

34 (c) A volunteer fire department may not collect a false alarm service
35 charge from a property owner or alarm company unless the
36 department's bill for payment of the service charge:

37 (1) is submitted to the property owner in writing within thirty (30)
38 days after the false alarm; and

39 (2) includes a copy of a fire incident report in the form prescribed
40 by the state fire marshal.

41 (d) A volunteer fire department shall use the money collected from
42 the false alarm service charge imposed under this section:



(1) for the purchase of equipment, buildings, and property for fire fighting, fire protection, or other emergency services;

(2) for deposit in the township firefighting **and emergency services** fund established under ~~IC 36-8-13-4~~; **IC 36-8-13-4(a)(1) or the township firefighting fund established under IC 36-8-13-4(a)(2)(A)**; or

(3) to pay principal and interest on a loan made by the department of homeland security established by IC 10-19-2-1 or a division of the department for the purchase of new or used firefighting and other emergency equipment or apparatus.

(e) If at least twenty-five percent (25%) of the money received by a volunteer fire department for providing fire protection or emergency services is received under one (1) or more contracts with one (1) or more political subdivisions (as defined in IC 34-6-2-110), the legislative body of a contracting political subdivision must approve the false alarm service charge established under subsection (a) before the service charge is initiated in that political subdivision.

(f) A volunteer fire department that:

(1) has contracted with a political subdivision to provide fire protection or emergency services; and

(2) imposes a false alarm service charge under this section;

must submit a report to the legislative body of the political subdivision before April 1 of each year indicating the amount of false alarm charges collected during the previous calendar year and how those funds have been expended.

(g) The volunteer fire department may maintain a civil action to recover unpaid false alarm service charges imposed under this section and may, if it prevails, recover all costs of the action, including reasonable attorney's fees.

SECTION 97. IC 36-8-13-4, AS AMENDED BY P.L.255-2017, SECTION 38, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2024]: Sec. 4. (a) Each township shall annually establish **either:**

(1) a township firefighting **and emergency services** fund which is to be used by the township for the payment of costs attributable to providing fire protection or emergency services under the methods prescribed in section 3 of this chapter and for no other purposes; **or**

(2) **two (2) separate funds consisting of:**

(A) **a township firefighting fund that is to be used by the township for the payment of costs attributable to providing fire protection under the methods prescribed in section 3**



1 **of this chapter and for no other purposes; and**
 2 **(B) a township emergency services fund that is to be used**
 3 **by the township for the payment of costs attributable to**
 4 **providing emergency services under the methods**
 5 **prescribed in section 3 of this chapter and for no other**
 6 **purposes.**

7 The money in the ~~fund~~ **funds described in either subdivision (1) or**
 8 **(2) may be paid out by the township executive with the consent of the**
 9 **township legislative body.**

10 (b) Each township may levy, for each year, a tax for **either:**

11 **(1) the township firefighting and emergency services fund**
 12 **described in subsection (a)(1); or**

13 **(2) both:**

14 **(A) the township firefighting fund; and**

15 **(B) the township emergency services fund;**

16 **described in subsection (a)(2).**

17 Other than a township providing fire protection or emergency services
 18 or both to municipalities in the township under section 3(b) or 3(c) of
 19 this chapter, the tax levy is on all taxable real and personal property in
 20 the township outside the corporate boundaries of municipalities.
 21 Subject to the levy limitations contained in IC 6-1.1-18.5, the township
 22 **firefighting and emergency services** levy is to be in an amount
 23 sufficient to pay costs attributable to fire protection and emergency
 24 services that are not paid from other revenues available to the fund. **If**
 25 **a township establishes a township firefighting fund and a township**
 26 **emergency services fund described in subdivision (2), the combined**
 27 **levies are to be an amount sufficient to pay costs attributable to fire**
 28 **protection and emergency services. However, fire protection**
 29 **services may be paid only from the township firefighting fund and**
 30 **emergency services may be paid only from the township emergency**
 31 **services fund, and each fund may pay costs attributable to the**
 32 **respective fund for services that are not paid from other revenues**
 33 **available to either applicable fund. The tax rate and levy for a levy**
 34 **described in this subsection shall be established in accordance with**
 35 **the procedures set forth in IC 6-1.1-17.**

36 (c) In addition to the tax levy and service charges received under
 37 IC 36-8-12-13 and IC 36-8-12-16, the executive may accept donations
 38 to the township for the purpose of firefighting and other emergency
 39 services and shall place them in the ~~fund~~; **township firefighting and**
 40 **emergency services fund established under subsection (a)(1), or if**
 41 **applicable, the township firefighting fund established under**
 42 **subsection (a)(2)(A) if the purpose of the donation is for**



1 **firefighting, or in the township emergency services fund established**
 2 **under subsection (a)(2)(B) if the purpose of the donation is for**
 3 **emergency services**, keeping an accurate record of the sums received.
 4 A person may also donate partial payment of any purchase of
 5 firefighting or other emergency services equipment made by the
 6 township.

7 (d) If a fire department serving a township dispatches fire apparatus
 8 or personnel to a building or premises in the township in response to:

9 (1) an alarm caused by improper installation or improper
 10 maintenance; or

11 (2) a drill or test, if the fire department is not previously notified
 12 that the alarm is a drill or test;

13 the township may impose a fee or service charge upon the owner of the
 14 property. However, if the owner of property that constitutes the owner's
 15 residence establishes that the alarm is under a maintenance contract
 16 with an alarm company and that the alarm company has been notified
 17 of the improper installation or maintenance of the alarm, the alarm
 18 company is liable for the payment of the fee or service charge.

19 (e) The amount of a fee or service charge imposed under subsection
 20 (d) shall be determined by the township legislative body. All money
 21 received by the township from the fee or service charge must be
 22 deposited in the township's firefighting **and emergency services** fund
 23 **or the township's firefighting fund.**

24 SECTION 98. IC 36-8-13-4.5, AS AMENDED BY P.L.255-2017,
 25 SECTION 39, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 26 JANUARY 1, 2024]: Sec. 4.5. (a) This section applies to a township
 27 that provides fire protection or emergency services or both to a
 28 municipality in the township under section 3(b) or 3(c) of this chapter.

29 (b) **Except as provided in subsection (c)**, with the consent of the
 30 township legislative body, the township executive may pay the
 31 expenses for fire protection and emergency services in the township,
 32 both inside and outside the corporate boundaries of participating
 33 municipalities, from any combination of the following township funds,
 34 regardless of when the funds were established:

35 (1) The township firefighting **and emergency services** fund
 36 under section **4 4(a)(1)** of this chapter.

37 (2) The cumulative building and equipment fund under
 38 IC 36-8-14.

39 (3) The debt fund under sections 6 and 6.5 of this chapter.

40 (4) The rainy day fund established under IC 36-1-8-5.1.

41 **(c) If a township establishes a township firefighting fund and a**
 42 **township emergency services fund described in section 4(a)(2) of**



1 this chapter, and with the consent of the township legislative body,
 2 the township executive may pay the expenses for fire protection
 3 from the township firefighting fund and emergency services from
 4 the township emergency services fund, both inside and outside the
 5 corporate boundaries of participating municipalities.

6 ~~(c)~~ (d) Subject to the levy limitations contained in IC 6-1.1-18.5, the
 7 tax rate and levy for the township firefighting and emergency services
 8 fund or the combined levies for the township firefighting fund and
 9 the township emergency services fund (as applicable), the
 10 cumulative building and equipment fund, or the debt fund is to be in an
 11 amount sufficient to pay all costs attributable to fire protection or
 12 emergency services that are provided to the township and the
 13 participating municipalities that are not paid from other available
 14 revenues. The tax rate and levy for each fund shall be established in
 15 accordance with the procedures set forth in IC 6-1.1-17 and apply both
 16 inside and outside the corporate boundaries of participating
 17 municipalities.

18 ~~(d)~~ (e) The township executive may accept donations for the
 19 purpose of firefighting and emergency services. The township
 20 executive shall place donations in the township firefighting and
 21 emergency services fund established under section 4(a)(1) of this
 22 chapter, or if applicable, the township firefighting fund established
 23 under section 4(a)(2)(A) of this chapter if the purpose of the
 24 donation is for firefighting, or the township emergency services
 25 fund established under section 4(a)(2)(B) of this chapter if the
 26 purpose of the donation is for emergency services. A person may
 27 donate partial payment of a purchase of firefighting or emergency
 28 services equipment made by the township.

29 SECTION 99. IC 36-8-13-4.6 IS AMENDED TO READ AS
 30 FOLLOWS [EFFECTIVE JANUARY 1, 2024]: Sec. 4.6. (a) For
 31 townships and municipalities that elect to have the township provide
 32 fire protection and emergency services under section 3(b) of this
 33 chapter, the department of local government finance shall adjust each
 34 township's and each municipality's maximum permissible levy in the
 35 year following the year in which the change is elected, as determined
 36 under IC 6-1.1-18.5-3, to reflect the change from providing fire
 37 protection or emergency services under a contract between the
 38 municipality and the township to allowing the township to impose a
 39 property tax levy on the taxable property located within the corporate
 40 boundaries of each municipality. Each municipality's maximum
 41 permissible property tax levy shall be reduced by the amount of the
 42 municipality's property tax levy that was imposed by the municipality



to meet the obligations to the township under the fire protection **or emergency services** contract. The township's maximum permissible property tax levy shall be increased by the product of:

(1) one and five-hundredths (1.05); multiplied by

(2) the amount the township received:

(A) in the year in which the change is elected; and

(B) as fire protection **or emergency services** contract payments from all municipalities whose levy is decreased under this section.

(b) For purposes of determining a township's or municipality's maximum permissible ad valorem property tax levy under IC 6-1.1-18.5-3 for years following the first year after the year in which the change is elected, a township's or municipality's maximum permissible ad valorem property tax levy is the levy after the adjustment made under subsection (a).

SECTION 100. IC 36-8-13-4.7, AS AMENDED BY P.L.257-2019, SECTION 156, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2024]: Sec. 4.7. (a) For a township that elects to have the township provide fire protection and emergency services under section 3(c) of this chapter, the department of local government finance shall adjust the township's maximum permissible levy **described in section 4(b)(1) or 4(b)(2) of this chapter, as applicable**, in the year following the year in which the change is elected, as determined under IC 6-1.1-18.5-3, to reflect the change from providing fire protection or emergency services under a contract between the municipality and the township to allowing the township to impose a property tax levy on the taxable property located within the corporate boundaries of each municipality. For the ensuing calendar year, the township's maximum permissible property tax levy **described in section 4(b)(1) of this chapter, or the combined levies described in section 4(b)(2) of this chapter, which is considered a single levy for purposes of this section**, shall be increased by the product of:

(1) one and five-hundredths (1.05); multiplied by

(2) the amount the township contracted or billed to receive, regardless of whether the amount was collected:

(A) in the year in which the change is elected; and

(B) as fire protection or emergency service payments from the municipalities or residents of the municipalities covered by the election under section 3(c) of this chapter.

The maximum permissible levy for a general fund or other fund of a municipality covered by the election under section 3(c) of this chapter shall be reduced for the ensuing calendar year to reflect the change to



1 allowing the township to impose a property tax levy on the taxable
 2 property located within the corporate boundaries of the municipality.
 3 The total reduction in the maximum permissible levies for all electing
 4 municipalities must equal the amount that the maximum permissible
 5 levy for the township **described in section 4(b)(1) of this chapter or**
 6 **the combined levies described in section 4(b)(2) of this chapter, as**
 7 **applicable**, is increased under this subsection for contracts or billings,
 8 regardless of whether the amount was collected, less the amount
 9 actually paid from sources other than property tax revenue.

10 (b) For purposes of determining a township's and each
 11 municipality's maximum permissible ad valorem property tax levy
 12 under IC 6-1.1-18.5-3 for years following the first year after the year in
 13 which the change is elected, a township's and each municipality's
 14 maximum permissible ad valorem property tax levy is the levy **(or in**
 15 **the case of a township electing to establish levies described in**
 16 **section 4(b)(2) of this chapter, the combined levies)** after the
 17 adjustment made under subsection (a).

18 (c) The township may use the amount of a maximum permissible
 19 property tax levy **(or in the case of a township electing to establish**
 20 **levies described in section 4(b)(2) of this chapter, the combined**
 21 **levies)** computed under this section in setting budgets and property tax
 22 levies for any year in which the election in section 3(c) of this chapter
 23 is in effect.

24 (d) Section 4.6 of this chapter does not apply to a property tax levy
 25 or a maximum property tax levy subject to this section.

26 SECTION 101. IC 36-8-13-9 IS AMENDED TO READ AS
 27 FOLLOWS [EFFECTIVE JANUARY 1, 2024]: Sec. 9. (a) A township
 28 shall pay for the care of a full-time, paid firefighter who suffers:

- 29 (1) an injury; or
- 30 (2) contracts an illness;

31 during the performance of the firefighter's duty.

32 (b) The township shall pay for the following expenses incurred by
 33 a firefighter described in subsection (a):

- 34 (1) Medical and surgical care.
- 35 (2) Medicines and laboratory, curative, and palliative agents and
 36 means.
- 37 (3) X-ray, diagnostic, and therapeutic service, including during
 38 the recovery period.
- 39 (4) Hospital and special nursing care if the physician or surgeon
 40 in charge considers it necessary for proper recovery.

41 (c) Expenditures required by subsection (a) shall be paid from the
 42 township firefighting **and emergency services** fund established by



1 section 4 4(a)(1) of this chapter or the township firefighting fund
2 established in section 4(a)(2)(A) of this chapter, as applicable.

3 (d) A township that has paid for the care of a firefighter under
4 subsection (a) has a cause of action for reimbursement of the amount
5 paid under subsection (a) against any third party against whom the
6 firefighter has a cause of action for an injury sustained because of, or
7 an illness caused by, the third party. The township's cause of action
8 under this subsection is in addition to, and not in lieu of, the cause of
9 action of the firefighter against the third party.

10 SECTION 102. IC 36-8-19-16.5 IS ADDED TO THE INDIANA
11 CODE AS A NEW SECTION TO READ AS FOLLOWS
12 [EFFECTIVE JULY 1, 2023]: **Sec. 16.5. (a) This section applies to a**
13 **territory:**

14 (1) established under this chapter by adoption of an ordinance
15 or resolution by the legislative body of a participating unit
16 that is effective before July 1, 2022; or

17 (2) established or expanded under this chapter by adoption of
18 an ordinance or resolution by the legislative body of a
19 participating unit that is effective after June 30, 2022.

20 This section does not apply to a territory that was dissolved under
21 section 15 of this chapter before June 30, 2023.

22 (b) The provider unit shall submit to the department of local
23 government finance the following:

24 (1) The ordinance establishing a territory (in the case of a
25 county or municipality).

26 (2) The resolution establishing a territory (in the case of a
27 township or fire protection district).

28 (3) Documents outlining the contents of an agreement to
29 establish or extend a territory, including an operating
30 agreement.

31 (4) Documents outlining the description of planned services
32 for a territory that were prepared when a territory was
33 established.

34 (5) If the participating units agreed to change the provider
35 unit under section 6.5 of this chapter, each:

36 (A) ordinance (in the case of a county or municipality); and

37 (B) resolution (in the case of a township or fire protection
38 district);

39 as applicable, that agrees to and specifies the new provider
40 unit.

41 (c) If there is a change in the operations or structure of a
42 territory, the provider unit shall submit a report to the department



1 of local government finance within thirty (30) days of the effective
2 date of the change.

3 (d) The information submitted under subsections (b) and (c)
4 shall be submitted in a manner prescribed by the department of
5 local government finance.

6 (e) The provider unit shall maintain copies of the information
7 identified under subsection (b) throughout the existence of the
8 territory.

9 SECTION 103. IC 36-10-3-24, AS AMENDED BY P.L.38-2021,
10 SECTION 104, IS AMENDED TO READ AS FOLLOWS
11 [EFFECTIVE JULY 1, 2023]: Sec. 24. (a) In order to raise money to
12 pay for land to be acquired for any of the purposes named in this
13 chapter, to pay for an improvement authorized by this chapter, or both,
14 and in anticipation of the special benefit tax to be levied as provided in
15 this chapter, the board shall cause to be issued, in the name of the unit,
16 the bonds of the district. The bonds may not exceed in amount the total
17 cost of all land to be acquired and all improvements described in the
18 resolution, including all expenses necessarily incurred in connection
19 with the proceedings, together with a sum sufficient to pay the costs of
20 supervision and inspection during the period of construction of a work.
21 The expenses to be covered in the bond issue include all expenses of
22 every kind actually incurred preliminary to acquiring the land and the
23 construction of the work, such as the cost of the necessary record,
24 engineering expenses, publication of notices, preparation of bonds, and
25 other necessary expenses. If more than one (1) resolution or proceeding
26 of the board under section 23 of this chapter is confirmed whereby
27 different parcels of land are to be acquired, or more than one (1)
28 contract for work is let by the board at approximately the same time,
29 the cost involved under all of the resolutions and proceedings may be
30 included in one (1) issue of bonds.

31 (b) The bonds may be issued in any denomination not less than one
32 thousand dollars (\$1,000) each, in not less than five (5) nor more than
33 forty (40) annual series. The bonds are payable one (1) series each
34 year, beginning at a date after the receipt of taxes from a levy made for
35 that purpose. The bonds are negotiable. The bonds may bear interest at
36 any rate, payable semiannually. After adopting a resolution ordering
37 bonds, the board shall certify a copy of the resolution to the unit's fiscal
38 officer. The fiscal officer shall prepare the bonds, and the unit's
39 executive shall execute them, attested by the fiscal officer.

40 (c) The bonds and the interest on them are exempt from taxation as
41 prescribed by IC 6-8-5-1. Bonds issued under this section are subject
42 to the provisions of IC 5-1 and IC 6-1.1-20 relating to:

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- 1 (1) the filing of a petition requesting the issuance of bonds;
- 2 (2) the right of:
 - 3 (A) taxpayers and voters to remonstrate against the issuance of
 - 4 bonds in the case of a proposed bond issue described by
 - 5 IC 6-1.1-20-3.1(a); or
 - 6 (B) voters to vote on the issuance of bonds in the case of a
 - 7 proposed bond issue described by IC 6-1.1-20-3.5(a);
 - 8 (3) the appropriation of the proceeds of the bonds and approval by
 - 9 the department of local government finance; and
 - 10 (4) the sale of bonds at:
 - 11 (A) a public sale for not less than their par value; or
 - 12 (B) a negotiated sale after June 30, 2018, and before July 1,
 - 13 ~~2023~~; **2025**.

14 (d) The board may not have bonds of the district issued under this
 15 section that are payable by special taxation when the total issue for that
 16 purpose, including the bonds already issued or to be issued, exceeds
 17 two percent (2%) of the adjusted value of the taxable property in the
 18 district as determined under IC 36-1-15. All bonds or obligations
 19 issued in violation of this subsection are void. The bonds are not
 20 obligations or indebtedness of the unit, but constitute an indebtedness
 21 of the district as a special taxing district. The bonds and interest are
 22 payable only out of a special tax levied upon all the property of the
 23 district as prescribed by this chapter. The bonds must recite the terms
 24 upon their face, together with the purposes for which they are issued.

25 SECTION 104. IC 36-10-8-16, AS AMENDED BY P.L.38-2021,
 26 SECTION 105, IS AMENDED TO READ AS FOLLOWS
 27 [EFFECTIVE JULY 1, 2023]: Sec. 16. (a) A capital improvement may
 28 be financed in whole or in part by the issuance of general obligation
 29 bonds of the county or, if the board was created under IC 18-7-18
 30 (before its repeal on February 24, 1982), also of the city, if the board
 31 determines that the estimated annual net income of the capital
 32 improvement, plus the estimated annual tax revenues to be derived
 33 from any tax revenues made available for this purpose, will not be
 34 sufficient to satisfy and pay the principal of and interest on all bonds
 35 issued under this chapter, including the bonds then proposed to be
 36 issued.

37 (b) If the board desires to finance a capital improvement in whole
 38 or in part as provided in this section, it shall have prepared a resolution
 39 to be adopted by the county executive authorizing the issuance of
 40 general obligation bonds, or, if the board was created under IC 18-7-18
 41 (before its repeal on February 24, 1982), by the fiscal body of the city
 42 authorizing the issuance of general obligation bonds. The resolution



1 must set forth an itemization of the funds and assets received by the
 2 board, together with the board's valuation and certification of the cost.
 3 The resolution must state the date or dates on which the principal of the
 4 bonds is payable, the maximum interest rate to be paid, and the other
 5 terms upon which the bonds shall be issued. The board shall submit the
 6 proposed resolution to the proper officers, together with a certificate to
 7 the effect that the issuance of bonds in accordance with the resolution
 8 will be in compliance with this section. The certificate must also state
 9 the estimated annual net income of the capital improvement to be
 10 financed by the bonds, the estimated annual tax revenues, and the
 11 maximum amount payable in any year as principal and interest on the
 12 bonds issued under this chapter, including the bonds proposed to be
 13 issued, at the maximum interest rate set forth in the resolution. The
 14 bonds issued may mature over a period not exceeding forty (40) years
 15 from the date of issue.

16 (c) Upon receipt of the resolution and certificate, the proper officers
 17 may adopt them and take all action necessary to issue the bonds in
 18 accordance with the resolution. An action to contest the validity of
 19 bonds issued under this section and sold at a public sale may not be
 20 brought after the fifteenth day following the receipt of bids for the
 21 bonds.

22 (d) The provisions of all general statutes relating to:

23 (1) the filing of a petition requesting the issuance of bonds and
 24 giving notice;

25 (2) the right of:

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

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

31 (3) the giving of notice of the determination to issue bonds;

32 (4) the giving of notice of a hearing on the appropriation of the
 33 proceeds of bonds;

34 (5) the right of taxpayers to appear and be heard on the proposed
 35 appropriation;

36 (6) the approval of the appropriation by the department of local
 37 government finance; and

38 (7) the sale of bonds at a public sale or at a negotiated sale after
 39 June 30, 2018, and before July 1, ~~2023~~; **2025**;

40 apply to the issuance of bonds under this section.

41 SECTION 105. IC 36-10-9-15, AS AMENDED BY P.L.38-2021,
 42 SECTION 106, IS AMENDED TO READ AS FOLLOWS

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1 [EFFECTIVE JULY 1, 2023]: Sec. 15. (a) A capital improvement may
 2 be financed in whole or in part by the issuance of general obligation
 3 bonds of the county.

4 (b) If the board desires to finance a capital improvement in whole
 5 or in part as provided in this section, it shall have prepared a resolution
 6 to be adopted by the board of commissioners of the county authorizing
 7 the issuance of general obligation bonds. The resolution must state the
 8 date or dates on which the principal of the bonds is payable, the
 9 maximum interest rate to be paid, and the other terms upon which the
 10 bonds shall be issued. The board shall submit the proposed resolution
 11 to the city-county legislative body for approval under IC 36-3-6-9,
 12 together with a certificate to the effect that the issuance of bonds in
 13 accordance with the resolution will be in compliance with this section.
 14 The certificate must also state the estimated annual net income of the
 15 capital improvement to be financed by the bonds, the estimated annual
 16 tax revenues, and the maximum amount payable in any year as
 17 principal and interest on the bonds issued under this chapter, including
 18 the bonds proposed to be issued, at the maximum interest rate set forth
 19 in the resolution. The bonds issued may mature over a period not
 20 exceeding forty (40) years from the date of issue.

21 (c) If the city-county legislative body approves the issuance of
 22 bonds under IC 36-3-6-9, the board shall submit the resolution to the
 23 executive of the consolidated city, who shall review the resolution. If
 24 the executive approves the resolution, the board shall take all action
 25 necessary to issue the bonds in accordance with the resolution. An
 26 action to contest the validity of bonds issued under this section and sold
 27 at a public sale may not be brought after the fifteenth day following the
 28 receipt of bids for the bonds.

29 (d) The provisions of all general statutes relating to:

30 (1) the filing of a petition requesting the issuance of bonds and
 31 giving notice;

32 (2) the right of:

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

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

38 (3) the giving of notice of the determination to issue bonds;

39 (4) the giving of notice of a hearing on the appropriation of the
 40 proceeds of bonds;

41 (5) the right of taxpayers to appear and be heard on the proposed
 42 appropriation;



(6) the approval of the appropriation by the department of local government finance; and

(7) the sale of bonds at a public sale for not less than par value or at a negotiated sale after June 30, 2018, and before July 1, ~~2023~~, **2025**;

are applicable to the issuance of bonds under this section.

SECTION 106. IC 36-10-10-20, AS AMENDED BY P.L.38-2021, SECTION 108, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 20. (a) The bonds shall be executed by the president of the board, and the corporate seal of the authority shall be affixed and attested by the secretary of the board. The interest coupons attached to the bonds shall be executed by placing the facsimile signature of the treasurer on them. The bonds shall be sold by the board:

(1) at a public sale for not less than the par value; or

(2) alternatively, at a negotiated sale after June 30, 2018, and before July 1, ~~2023~~, **2025**.

Notice of sale shall be published in accordance with IC 5-3-1.

(b) If the bonds are sold at a public sale, the board shall award the bonds to the highest bidder as determined by computing the total interest on the bonds from the date of issue to the dates of maturity and deducting the premium bid, if any, unless the board determines that no acceptable bid has been received. In that case the sale may be continued from day to day, not to exceed thirty (30) days. A bid may not be accepted that is lower than the highest bid received at the time fixed for sale in the bond sale notice.

(c) Any premium received from the sale of the bonds shall be used solely for the payment of principal and interest on the bonds. The board may also issue refunding bonds under IC 5-1-5.

SECTION 107. IC 36-10-11-21, AS AMENDED BY P.L.38-2021, SECTION 110, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 21. (a) The bonds shall be executed by the president of the board, and the corporate seal of the authority shall be affixed and attested by the secretary of the board. The interest coupons attached to the bonds shall be executed by placing the facsimile signature of the treasurer on them. The bonds shall be sold by the board:

(1) at public sale for not less than the par value; or

(2) alternatively, at a negotiated sale after June 30, 2018, and before July 1, ~~2023~~, **2025**.

Notice of sale shall be published in accordance with IC 5-3-1.

(b) If the bonds are sold at a public sale, the board shall award the



bonds to the highest bidder as determined by computing the total interest on the bonds from the date of issue to the dates of maturity and deducting the premium bid, if any. If the bonds are not sold on the date fixed for the sale, the sale may be continued from day to day until a satisfactory bid has been received.

(c) Any premium received from the sale of the bonds shall be used solely for the payment of principal and interest on the bonds.

(d) Before the preparation of definitive bonds, temporary bonds may under like restrictions be issued with or without coupons, exchangeable for definitive bonds upon the issuance of the latter. The total amount of bonds issued by the authority under this section, when added to any loan or loans negotiated under section 22 of this chapter, may not exceed three million dollars (\$3,000,000).

SECTION 108. P.L.1-2023, SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2022 (RETROACTIVE)]: SECTION 21. (a) This SECTION applies to the election and imposition of the pass through entity tax pursuant to IC 6-3-2.1, as added by this act, for tax years ending before January 1, 2023.

(b) For the applicable period, the tax shall be paid and filed in conjunction with and consistent with the filing of a composite tax return pursuant to IC 6-3-4-12 or IC 6-3-4-13.

(c) Notwithstanding any other provision, no estimated payments shall be due for the applicable period other than any such payment that is currently required for purposes of withholding tax pursuant to IC 6-3-4-12 or IC 6-3-4-13.

(d) All provisions of IC 6-3-2.1, as added by this act, shall apply to the applicable period unless any such provision is inconsistent with the provisions and procedures applicable to the filing of composite returns pursuant to IC 6-3-4-12 or IC 6-3-4-13.

~~(e) A pass through entity that elects to pay the tax imposed by IC 6-3-2.1, as added by this act, for the applicable period will not be subject to an underpayment penalty pursuant to IC 6-8.1-10-2.1(a)(2) for failure to pay any tax due pursuant to IC 6-3-2.1, as added by this act, for any such tax not remitted as of the due date of the return, including extensions. This provision does not waive any interest due on such amounts pursuant to IC 6-8.1-10-1.~~

~~(f)~~ (e) Notwithstanding any provision to the contrary in IC 6-8.1-10-1 or IC 6-8.1-10-2.1, if the tax under IC 6-3-2.1, as added by this act, is due before August 31, 2024, interest and penalty for late payment of the tax shall be waived for the period from the due date to August 30, 2024. Interest and penalty shall be due on any amounts



1 unpaid after August 30, 2024, in the manner otherwise provided by
2 law.

3 SECTION 109. [EFFECTIVE JANUARY 1, 2023
4 (RETROACTIVE)] (a) IC 6-1.1-10-27, as amended by this act,
5 applies to assessment dates occurring after December 31, 2022.

6 (b) This SECTION expires January 1, 2027.

7 SECTION 110. [EFFECTIVE UPON PASSAGE] (a)
8 IC 6-1.1-20.6-7.5(a)(3) and IC 6-3.6-5-6(d)(2), both as amended by
9 this act, and IC 6-1.1-20.6-7.5(a)(5), as added by this act, apply to
10 property taxes first due and payable after December 31, 2023.

11 (b) This SECTION expires July 1, 2026.

12 SECTION 111. [EFFECTIVE JANUARY 1, 2024] (a) IC 6-7-2-7,
13 as amended by this act, applies to taxable years beginning after
14 December 31, 2023.

15 (b) This SECTION expires July 1, 2026.

16 SECTION 112. [EFFECTIVE JULY 1, 2023] (a) The legislative
17 services agency shall prepare legislation for introduction in the
18 2024 regular session of the general assembly to make any necessary
19 amendments to the Indiana Code to conform to the amendments to
20 IC 36-8-11 made by this act.

21 (b) This SECTION expires July 1, 2024.

22 SECTION 113. [EFFECTIVE JANUARY 1, 2024] (a)
23 IC 6-1.1-10-16, as amended by this act, applies to assessment dates
24 beginning after December 31, 2023.

25 (b) This SECTION expires January 1, 2028.

26 SECTION 114. An emergency is declared for this act.



COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1454, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

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

"SECTION 1. IC 5-1-11-1, AS AMENDED BY P.L.38-2021, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 1. (a) Except as otherwise provided in this chapter or in the statute authorizing their issuance, all bonds issued by or in the name of counties, townships, cities, towns, school corporations, and special taxing districts, agencies or instrumentalities thereof, or by entities required to sell bonds pursuant to ~~IC 5-1-11~~, **this chapter**, whether the bonds are general obligations or issued in anticipation of the collection of special taxes or are payable out of revenues, may be sold:

- (1) at a public sale; or
- (2) alternatively, at a negotiated sale after June 30, 2018, and before July 1, ~~2023~~, **2025**, in the case of:
 - (A) counties;
 - (B) townships;
 - (C) cities;
 - (D) towns; and
 - (E) school corporations.

(b) The word "bonds" as used in this chapter means any obligations issued by or in the name of any of the political subdivisions or bodies referred to in subsection (a), except obligations payable in the year in which they are issued, obligations issued in anticipation of the collection of delinquent taxes, and obligations issued in anticipation of the collection of frozen bank deposits.

(c) Notwithstanding any of the provisions of subsection (a) or any of the provisions of section 2 of this chapter, any bonds may be sold to the federal government or any agency thereof, at private sale and without a public offering.

SECTION 2. IC 5-16-1-1.9, AS AMENDED BY P.L.143-2014, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 1.9. (a) Notwithstanding this article, a state educational institution may award a contract for any construction or repair work to any building, structure, or improvement of the institution without advertising for bids and meeting other contract awarding



requirements of this article whenever the estimated cost of the project is less than ~~one hundred fifty thousand dollars (\$150,000)~~: **three hundred thousand dollars (\$300,000)**. However, in awarding any contract under this section the state educational institution must do the following:

- (1) Invite quotes from at least three (3) persons, firms, limited liability companies, or corporations known to deal in the work required to be done.
- (2) Give notice of the project if the estimated cost of the project is more than ~~one hundred fifty thousand dollars (\$150,000)~~: **three hundred thousand dollars (\$300,000)**. If required, notice must include a description of the work to be done and be given in at least one (1) newspaper of general circulation printed and published in the county in which the work is to be done.
- (3) Award the contract to the person who submits the lowest and best quote.

(b) A state educational institution that awards a contract under this section to a minority business enterprise may include the contract when assessing the state educational institution's performance in meeting the goal set under section 7 of this chapter.

SECTION 3. IC 6-1.1-3-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 9. (a) In completing a personal property return for a year, a taxpayer shall make a complete disclosure of all information required by the department of local government finance that is related to the value, nature, ~~or~~ **and** location of personal property:

- (1) that the taxpayer owned on the assessment date of that year; or
- (2) that the taxpayer held, possessed, or controlled on the assessment date of that year.

(b) The taxpayer shall certify to the truth of:

- (1) all information appearing in a personal property return; and
- (2) all data accompanying the return."

Page 3, between lines 1 and 2, begin a new paragraph and insert:

"SECTION 5. IC 6-1.1-4-4.9 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 4.9. (a) **This section applies to an assessment:**

- (1) **under section 4.2 or 4.5 of this chapter or another law; and**
- (2) **occurring after December 31, 2023.**

(b) **If the township assessor, or the county assessor if there is no township assessor for the township, changes the underlying parcel characteristics, including age, grade, or condition, of a property**



from the previous year's assessment date, the township or county assessor shall document:

- (1) each change; and**
- (2) the reason that each change was made.**

In any appeal of the assessment, the township or county assessor has the burden of proving that each change was valid."

Page 4, between lines 33 and 34, begin a new paragraph and insert:
 "SECTION 4. IC 6-1.1-4-39, AS AMENDED BY P.L.111-2014, SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 39. (a) For assessment dates after February 28, 2005, except as provided in subsections (c) and (e), the true tax value of real property regularly used to rent or otherwise furnish residential accommodations for periods of thirty (30) days or more and that has more than four (4) rental units is the lowest valuation determined by applying each of the following appraisal approaches:

- (1) Cost approach that includes an estimated reproduction or replacement cost of buildings and land improvements as of the date of valuation together with estimates of the losses in value that have taken place due to wear and tear, design and plan, or neighborhood influences.
- (2) Sales comparison approach, using data for generally comparable property.
- (3) Income capitalization approach, using an applicable capitalization method and appropriate capitalization rates that are developed and used in computations that lead to an indication of value commensurate with the risks for the subject property use.

(b) The gross rent multiplier method is the preferred method of valuing:

- (1) real property that has at least one (1) and not more than four (4) rental units; and
- (2) mobile homes assessed under IC 6-1.1-7.

(c) A township assessor (if any) or the county assessor is not required to appraise real property referred to in subsection (a) using the three (3) appraisal approaches listed in subsection (a) if the assessor and the taxpayer agree before notice of the assessment is given to the taxpayer under section 22 of this chapter to the determination of the true tax value of the property by the assessor using one (1) of those appraisal approaches.

(d) To carry out this section, the department of local government finance may adopt rules for assessors to use in gathering and processing information for the application of the income capitalization method and the gross rent multiplier method. If a taxpayer wishes to



have the income capitalization method or the gross rent multiplier method used in the initial formulation of the assessment of the taxpayer's property, the taxpayer must submit the necessary information to the assessor not later than the assessment date. However, the taxpayer is not prejudiced in any way and is not restricted in pursuing an appeal, if the data is not submitted by the assessment date. A taxpayer must verify under penalties for perjury any information provided to the township or county assessor for use in the application of either method. All information related to earnings, income, profits, losses, or expenditures that is provided to the assessor under this section is confidential under IC 6-1.1-35-9 to the same extent as information related to earnings, income, profits, losses, or expenditures of personal property is confidential under IC 6-1.1-35-9.

(e) The true tax value of low income rental property (as defined in section 41 of this chapter) is not determined under subsection (a). The assessment method prescribed in section 41 of this chapter is the exclusive method for assessment of that property. This subsection does not impede any rights to appeal an assessment.

(f) For property qualifying under subsection (a), in any review or appeal under IC 6-1.1-15 and in any appeals taken to the Indiana board of tax review or the Indiana tax court, the county assessor or township assessor making the assessment has the burden of proving that the real property's true tax value:

- (1) is the lowest valuation determined by applying the three appraisal approaches identified in subsection (a); and**
- (2) is substantially correct.**

If a county assessor or township assessor fails to meet the burden of proof under this subsection, the taxpayer may introduce evidence to prove a substantially correct assessment.

(g) If neither the assessing official nor the taxpayer meets its burden of proof and the prior year's assessment was lower than the assessment under review or appeal, the assessment reverts to the assessment for the prior tax year, which is the original assessment for that prior tax year or, if applicable, the assessment for that prior tax year:

- (1) as last corrected by an assessing official;**
- (2) as stipulated or settled by the taxpayer and the assessing official; or**
- (3) as determined by the reviewing authority.**

(h) In appeals where the taxpayer contends that the assessment should be greater than the assessment for the prior tax year, the final assessed value may not be less than the taxpayer's contention



of value in the appeal.

(i) Subsections (f), (g), and (h) do not apply to an assessment if the assessment that is the subject of the review or appeal is based on:

- (1) substantial renovations or new improvements;
- (2) zoning; or
- (3) uses;

that were not considered in the assessment for the prior tax year.

(j) As used in this section, "substantially correct" means:

- (1) for the assessor, that the assessor has proved that the value of the property is within five percent (5%) of the appealed assessment; and
- (2) for the taxpayer, that the taxpayer has proved that the value of the property is within five percent (5%) of the taxpayer's contention of value."

Page 5, between lines 40 and 41, begin a new paragraph and insert:

"SECTION 5. IC 6-1.1-10-27 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2023 (RETROACTIVE)]:
Sec. 27. (a) Subject to the limitations contained in subsections (b) and (c), the following tangible property is exempt from property taxation if it is owned by a cemetery corporation, firm, **or not-for-profit corporation, or** association which is organized under the laws of this state, **a church, or a religious society:**

- (1) The real property, including mausoleums and other structures in which human remains are buried or interred but not including crematories, funeral homes, offices, or maintenance structures. However, **crematories, funeral homes,** offices, and maintenance structures are exempt if they are owned by, or held in trust for the use of, a church or religious society, or if they are owned by a not-for-profit corporation or association.
- (2) The personal property which is used exclusively in the establishment, operation, administration, preservation, repair, or maintenance of the cemetery, **funeral home, or crematory.**

(b) The exemption under subsection (a) does not apply to real property unless:

- (1) it has been dedicated or platted for cemetery, **crematory, or funeral home use, or a variance has been granted for one (1) or more of those uses;**
- (2) a plat of it **or variance from the plat** has been recorded in the county in which the property is located; and
- (3) it is exclusively used for cemetery, **or** burial, **crematory, or funeral** purposes.



(c) The exemption under subsection (a) does not apply to personal property unless it is used exclusively for cemetery, **funeral home, or crematory** purposes and:

- (1) it is owned by, or held in trust for the use of, a church or religious society; or
- (2) it is owned by a not-for-profit corporation or association.

SECTION 9. IC 6-1.1-12-35.5, AS AMENDED BY P.L.257-2019, SECTION 27, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 35.5. (a) Except as provided in section 36 or 44 of this chapter and subject to section 45 of this chapter, a person who desires to claim the deduction provided by section 33 or 34 of this chapter must file a certified statement in duplicate, on forms prescribed by the department of local government finance and proof of certification under subsection (b) with the auditor of the county in which the property for which the deduction is claimed is subject to assessment. To obtain the deduction for a desired calendar year in which property taxes are first due and payable, the person must complete and date the certified statement in the immediately preceding calendar year and file the certified statement with the county auditor on or before January 5 of the calendar year in which the property taxes are first due and payable. The statement may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing. On verification of the statement by the assessor of the township in which the property for which the deduction is claimed is subject to assessment, or the county assessor if there is no township assessor for the township, the county auditor shall allow the deduction.

(b) The department of environmental management, upon application by a property owner, shall determine whether a system or device qualifies for a deduction provided by section 33 or 34 of this chapter. If the department determines that a system or device qualifies for a deduction, it shall certify the system or device and provide proof of the certification to the property owner. The department shall prescribe the form and manner of the certification process required by this subsection.

(c) If the department of environmental management receives an application for certification, the department shall determine whether the system or device qualifies for a deduction. If the department fails to make a determination under this subsection before December 31 of the year in which the application is received, the system or device is considered certified.

(d) A denial of a deduction claimed under section 33 or 34 of this chapter may be appealed as provided in IC 6-1.1-15. The appeal is



limited to a review of a determination made by the township assessor county property tax assessment board of appeals, or department of local government finance.

(e) Notwithstanding any other law, if there is a change in ownership of real property, or a mobile home that is not assessed as real property:

(1) that is equipped with a geothermal energy heating or cooling device; and

(2) whose previous owner received a property tax deduction under section 34 of this chapter for the geothermal energy heating or cooling device prior to the change in ownership;

the new owner shall be eligible for the property tax deduction following the change in ownership and, in subsequent taxable years, shall not be required to obtain a determination of qualification from the department of environmental management under subsection (b) and shall not be required to file a certified statement of qualification with the county auditor under subsection (a) to remain eligible for the property tax deduction."

Page 16, between lines 14 and 15, begin a new paragraph and insert:

"SECTION 13. IC 6-1.1-18-28, AS ADDED BY P.L.154-2020, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2024]: Sec. 28. (a) The executive of a township may, upon approval by the township fiscal body, submit a petition to the department of local government finance for an increase in the township's maximum permissible ad valorem property tax levy for its township firefighting **and emergency services** fund under ~~IC 36-8-13-4~~ **IC 36-8-13-4(a)(1) or the levies for the township firefighting fund and township emergency services fund described in IC 36-8-13-4(a)(2), as applicable,** for property taxes ~~first due and payable in 2021 or for any year thereafter~~ for which a petition is submitted under this section.

(b) If the township submits a petition as provided in subsection (a) before ~~August 1, 2020, or~~ April 1 of a year, ~~thereafter,~~ the department of local government finance shall increase the township's maximum permissible ad valorem property tax levy for the township firefighting **and emergency services** fund under ~~IC 36-8-13-4~~ **IC 36-8-13-4(a)(1) or the combined levies for the township firefighting fund and township emergency services fund described in IC 36-8-13-4(a)(2), as applicable,** for property taxes first due and payable in the immediately succeeding year by using the following formula for purposes of subsection (c)(2):

STEP ONE: Determine the percentage increase in the population,



as determined by the township fiscal body and as may be prescribed by the department of local government finance, that is within the fire protection and emergency services area of the township during the ten (10) year period immediately preceding the year in which the petition is submitted under subsection (a). The township fiscal body may use the most recently available population data issued by the Bureau of the Census during the ten (10) year period immediately preceding the petition.

STEP TWO: Determine the greater of zero (0) or the result of:

(A) the STEP ONE percentage; minus

(B) six percent (6%);

expressed as a decimal.

STEP THREE: Determine a rate that is the lesser of:

(A) fifteen-hundredths (0.15); or

(B) the STEP TWO result.

STEP FOUR: Reduce the STEP THREE rate by any rate increase in the township's property tax rate **or rates** for its township firefighting **and emergency services** fund, **township firefighting fund, or township emergency services fund, as applicable**, within the immediately preceding ten (10) year period that was made based on a petition submitted by the township under this section.

(c) The township's maximum permissible ad valorem property tax levy for its township firefighting **and emergency services** fund under ~~IC 36-8-13-4~~ **IC 36-8-13-4(a)(1) or the combined levies for the township firefighting fund and township emergency services fund described in IC 36-8-13-4(a)(2)** for property taxes first due and payable in a given year, as adjusted under this section, shall be calculated as:

(1) the amount of the ad valorem property tax levy increase for the township firefighting **and emergency services** fund **under IC 36-8-13-4(a)(1) or the combined levies for the township firefighting fund and township emergency services fund described in IC 36-8-13-4(a)(2), as applicable**, without regard to this section; plus

(2) an amount equal to the result of:

(A) the rate determined under the formula in subsection (b); multiplied by

(B) the net assessed value of the fire protection and emergency services area divided by one hundred (100).

The calculation under this subsection shall be used in the determination of the township's maximum permissible ad valorem property tax levy



under IC 36-8-13-4 for property taxes first due and payable in the first year of the increase and thereafter."

Page 17, between lines 23 and 24, begin a new paragraph and insert:

"SECTION 15. IC 6-1.1-18.5-1, AS AMENDED BY P.L.197-2016, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2024]: Sec. 1. As used in this chapter:

"Ad valorem property tax levy for an ensuing calendar year" means the total property taxes imposed by a civil taxing unit for current property taxes collectible in that ensuing calendar year. **However, if a township elects to establish both a township firefighting levy and a township emergency services levy under IC 36-8-13-4(b)(2), the township firefighting levy and township emergency services levy shall be combined and considered as a single levy for purposes of this chapter.**

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

"Maximum permissible ad valorem property tax levy for the preceding calendar year" means, for purposes of determining a maximum permissible ad valorem property tax levy under section 3 of this chapter for property taxes imposed for an assessment date after January 15, 2011, ~~the term means~~ the civil taxing unit's maximum permissible ad valorem property tax levy for the calendar year immediately preceding the ensuing calendar year, as that levy was determined under section 3 of this chapter (regardless of whether the taxing unit imposed the entire amount of the maximum permissible ad valorem property tax levy in the immediately preceding year).

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

Page 29, between lines 33 and 34, begin a new paragraph and insert:

"SECTION 23. IC 6-3.6-3-7, AS AMENDED BY P.L.154-2020, SECTION 31, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 7. (a) This section applies to a county in which the county adopting body is a local income tax council.

(b) Before a member of the local income tax council may propose an ordinance under section 8 of this chapter, or vote on a proposed ordinance (including a proposed ordinance under section 8(e) of this chapter that is being considered by the local income tax council as a whole as required under section 9.5 of this chapter (before its expiration)), the member must hold a public hearing on the proposed



ordinance and provide the public with notice of the time and place where the public hearing will be held.

(c) The notice required by subsection (b) must be given in accordance with IC 5-3-1 and include the proposed ordinance or resolution to propose an ordinance.

(d) In addition to the notice required by subsection (b), the adopting body shall also provide a copy of the notice to all taxing units in the county at least ten (10) days before the public hearing.

(e) If a county adopting body makes any fiscal decision that has a financial impact to an underlying local taxing unit, the decision must be made, and notice must be given to the affected local taxing unit, by August 1 of a year. If a county adopting body passes an ordinance changing the allocation of local income tax revenue to a local taxing unit, the county adopting body must provide direct notice, in addition to the public notice described in subsection (b), to the affected local taxing unit within fifteen (15) days of the passage of the ordinance.

SECTION 24. IC 6-3.6-3-7.5, AS AMENDED BY P.L.247-2017, SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 7.5. (a) This section applies to a county in which the county adopting body is the county council.

(b) Before the county council may vote on a proposed ordinance under this article, the county council must hold a public hearing on the proposed ordinance and provide the public with notice of the date, time, and place of the public hearing.

(c) The notice required by subsection (b) must be given in accordance with IC 5-3-1 and include the proposed ordinance.

(d) In addition to the notice required by subsection (b), the adopting body shall also provide a copy of the notice to all taxing units in the county at least ten (10) days before the public hearing.

(e) If a county adopting body makes any fiscal decision that has a financial impact to an underlying local taxing unit, the decision must be made, and notice must be given to the affected local taxing unit, by August 1 of a year. If a county adopting body passes an ordinance changing the allocation of local income tax revenue to a local taxing unit, the county adopting body must provide direct notice, in addition to the public notice described in subsection (b), to the affected local taxing unit within fifteen (15) days of the passage of the ordinance.

SECTION 30. IC 6-3.6-6-2.8, AS ADDED BY P.L.95-2022, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 2.8. (a) As used in this section, "emergency



medical services" has the meaning set forth in IC 16-18-2-110.

~~(b) This section applies only to counties that:~~

- ~~(1) provide emergency medical services for all local units in the county; and~~
- ~~(2) pay one hundred percent (100%) of the costs to provide those services.~~

~~(c) (b) The fiscal body of a county described in subsection (b) may adopt an ordinance to impose a tax rate for emergency medical services in the county. The tax rate must be in increments of one-hundredth of one percent (0.01%) and may not exceed two-tenths of one percent (0.2%). The tax rate may not be in effect for more than twenty-five (25) years. If a county fiscal body adopts an ordinance under this section, but subsequently ceases to meet the applicability provision under subsection (b), the tax rate imposed under the ordinance shall expire on December 31 of the year in which the county ceases to be eligible to enact the ordinance.~~

~~(d) (c) The revenue generated by a tax rate imposed under this section must be distributed directly to the county before the remainder of the expenditure rate revenue is distributed. The revenue shall be maintained in a separate dedicated county fund and used by the county only for paying for operating costs incurred by the county for emergency medical services that are provided throughout the county.~~

SECTION 31. IC 8-1-34-14, AS ADDED BY P.L.27-2006, SECTION 58, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006 (RETROACTIVE)]: Sec. 14. (a) As used in this chapter, "video service" means:

(1) the transmission to subscribers of video programming and other programming service **by a video service provider:**

- (A) through facilities located at least in part in a public right-of-way; and
- (B) without regard to the technology used to deliver the video programming or other programming service; and

(2) any subscriber interaction required for the selection or use of the video programming or other programming service.

(b) The term does not include:

- (1) commercial mobile service (as defined in 47 U.S.C. 332);
- (2) **direct to home satellite service (as defined in 47 U.S.C. 303(v)); or**
- (3) **video programming accessed via a service that enables users to access content, information, electronic mail, or other services offered over the Internet, including digital audiovisual works (as defined in IC 6-2.5-1-16.3)."**



Page 39, between lines 27 and 28, begin a new paragraph and insert:
 "SECTION 38. IC 36-1-12-4, AS AMENDED BY P.L.134-2021,
 SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 JULY 1, 2023]: Sec. 4. (a) This section applies whenever the cost of a
 public work project will be at least **the following:**

**(1) Three hundred thousand dollars (\$300,000), if the political
 subdivision is a school corporation.**

**(2) One hundred fifty thousand dollars (\$150,000), if the political
 subdivision is not a school corporation.**

(b) The board must comply with the following procedure:

(1) The board shall prepare general plans and specifications describing the kind of public work required, but shall avoid specifications which might unduly limit competition. If the project involves the resurfacing (as defined by IC 8-14-2-1) of a road, street, or bridge, the specifications must show how the weight or volume of the materials will be accurately measured and verified.

(2) The board shall file the plans and specifications in a place reasonably accessible to the public, which shall be specified in the notice required by subdivision (3).

(3) Upon the filing of the plans and specifications, the board shall publish notice in accordance with IC 5-3-1 calling for sealed proposals for the public work needed. If the board receives electronic bids as set forth in subsection (d), the board shall also provide electronic access to the notice of the bid solicitation through the computer gateway administered under IC 4-13.1-2-2(a)(6) by the office of technology.

(4) The notice must specify the place where the plans and specifications are on file and the date fixed for receiving bids.

(5) The period of time between the date of the first publication and the date of receiving bids shall be governed by the size of the contemplated project in the discretion of the board. The period of time between the date of the first publication and receiving bids may not be more than:

(A) six (6) weeks if the estimated cost of the public works project is less than twenty-five million dollars (\$25,000,000); and

(B) ten (10) weeks if the estimated cost of the public works project is at least twenty-five million dollars (\$25,000,000).

(6) The board shall require the bidder to submit a financial statement, a statement of experience, a proposed plan or plans for performing the public work, and the equipment that the bidder has



available for the performance of the public work. The statement shall be submitted on forms prescribed by the state board of accounts.

(7) The board may not require a bidder to submit a bid before the meeting at which bids are to be received. The meeting for receiving bids must be open to the public. All bids received shall be opened publicly and read aloud at the time and place designated and not before. Notwithstanding any other law, bids may be opened after the time designated if both of the following apply:

(A) The board makes a written determination that it is in the best interest of the board to delay the opening.

(B) The day, time, and place of the rescheduled opening are announced at the day, time, and place of the originally scheduled opening.

(8) Except as provided in subsection (c), the board shall:

(A) award the contract for public work or improvements to the lowest responsible and responsive bidder; or

(B) reject all bids submitted.

(9) If the board awards the contract to a bidder other than the lowest bidder, the board must state in the minutes or memoranda, at the time the award is made, the factors used to determine which bidder is the lowest responsible and responsive bidder and to justify the award. The board shall keep a copy of the minutes or memoranda available for public inspection.

(10) In determining whether a bidder is responsive, the board may consider the following factors:

(A) Whether the bidder has submitted a bid or quote that conforms in all material respects to the specifications.

(B) Whether the bidder has submitted a bid that complies specifically with the invitation to bid and the instructions to bidders.

(C) Whether the bidder has complied with all applicable statutes, ordinances, resolutions, or rules pertaining to the award of a public contract.

(11) In determining whether a bidder is a responsible bidder, the board may consider the following factors:

(A) The ability and capacity of the bidder to perform the work.

(B) The integrity, character, and reputation of the bidder.

(C) The competence and experience of the bidder.

(12) The board shall require the bidder to submit an affidavit:

(A) that the bidder has not entered into a combination or



agreement:

- (i) relative to the price to be bid by a person;
 - (ii) to prevent a person from bidding; or
 - (iii) to induce a person to refrain from bidding; and
- (B) that the bidder's bid is made without reference to any other bid.

(c) Notwithstanding subsection (b)(8), a county may award sand, gravel, asphalt paving materials, or crushed stone contracts to more than one (1) responsible and responsive bidder if the specifications allow for bids to be based upon service to specific geographic areas and the contracts are awarded by geographic area. The geographic areas do not need to be described in the specifications.

(d) Notwithstanding subsection (b), a board may receive electronic bids for the public work if:

- (1) the solicitation for bids indicates the procedure for transmitting the electronic bid to the board; and
- (2) the board receives the bid on a facsimile machine or system with a security feature that protects the content of an electronic bid with the same degree of protection as the content of a bid that is not transmitted by a facsimile machine.

(e) A board may select a vendor to provide an electronic platform to accommodate the electronic bidding process.

SECTION 39. IC 36-1-12-4.7, AS AMENDED BY P.L.43-2019, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 4.7. (a) This section applies whenever a public work project is estimated to cost at least **the following:**

(1) Fifty thousand dollars (\$50,000) and less than ~~one hundred fifty thousand dollars (\$150,000)~~: three hundred thousand dollars (\$300,000), if the political subdivision is a school corporation.

(2) Fifty thousand dollars (\$50,000) and less than one hundred fifty thousand dollars (\$150,000), if the political subdivision is not a school corporation.

(b) The board must proceed under the following provisions:

- (1) The board shall invite quotes from at least three (3) persons known to deal in the class of work proposed to be done by mailing them a notice stating that plans and specifications are on file in a specified office. The notice must be mailed not less than seven (7) days before the time fixed for receiving quotes.
- (2) The board may not require a person to submit a quote before the meeting at which quotes are to be received. The meeting for receiving quotes must be open to the public. All quotes received



shall be opened publicly and read aloud at the time and place designated and not before.

(3) The board shall award the contract for the public work to the lowest responsible and responsive quoter.

(4) The board may reject all quotes submitted.

SECTION 40. IC 36-1-12-4.9, AS ADDED BY P.L.176-2009, SECTION 24, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 4.9. (a) This section applies to a public work for the routine operation, routine repair, or routine maintenance of existing structures, buildings, or real property if the cost of the public work is estimated to be less than **the following:**

(1) Three hundred thousand dollars (\$300,000) if the political subdivision is a school corporation.

(2) One hundred fifty thousand dollars (\$150,000), if the political subdivision is not a school corporation.

(b) The board may award a contract for a public work described in subsection (a) in the manner provided in IC 5-22.

SECTION 41. IC 36-1-12-24, AS AMENDED BY P.L.72-2018, SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 24. (a) As used in this section, "contractor" includes a subcontractor of a contractor.

(b) IC 4-13-18, regarding drug testing of employees of public works contractors, applies to a public works contract

~~(1) if the estimated cost of the public works contract is at least~~ **the following:**

(1) Three hundred thousand dollars (\$300,000), if the contract is for a public school corporation.

(2) One hundred fifty thousand dollars ~~(\$150,000); and~~ (\$150,000), if the contract is for a political subdivision other than a school corporation.

~~(2) that is awarded under this chapter after June 30, 2016.~~

(c) An employee drug testing program submitted to the board under this section must have been effective and applied at the time of the solicitation for bids.

(d) A contractor who has previously filed a copy of the contractor's employee drug testing program with the board in the current calendar year or within the previous two (2) calendar years satisfies the requirement for submitting an employee drug testing program, unless the employee drug testing program has been revised.

SECTION 42. IC 36-1.5-4-40.5, AS AMENDED BY P.L.159-2020, SECTION 77, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2024]: Sec. 40.5. The following apply in the case of a



reorganization under this article that includes a township and another political subdivision:

(1) If the township borrowed money from a township fund under IC 36-6-6-14(c) to pay the operating expenses of the township fire department or a volunteer fire department before the reorganization:

(A) the reorganized political subdivision is not required to repay the entire loan during the following year; and

(B) the reorganized political subdivision may repay the loan in installments during the following five (5) years.

(2) Except as provided in subdivision (3):

(A) the reorganized political subdivision continues to be responsible after the reorganization for providing township services in all areas of the township, including within the territory of a municipality in the township that does not participate in the reorganization; and

(B) the reorganized political subdivision retains the powers of a township after the reorganization in order to provide township services as required by clause (A).

(3) Powers and duties of the reorganized political subdivision may be transferred as authorized in an interlocal cooperation agreement approved under IC 36-1-7 or as authorized in a cooperative agreement approved under IC 36-1.5-5.

(4) If all or part of a municipality in the township is not participating in the reorganization, not less than ten (10) township taxpayers who reside within territory that is not participating in the reorganization may file a petition with the county auditor protesting the reorganized political subdivision's township assistance levy. The petition must be filed not more than thirty (30) days after the reorganized political subdivision finally adopts the reorganized political subdivision's township assistance levy. The petition must state the taxpayers' objections and the reasons why the taxpayers believe the reorganized political subdivision's township assistance levy is excessive or unnecessary. The county auditor shall immediately certify a copy of the petition, together with other data necessary to present the questions involved, to the department of local government finance. Upon receipt of the certified petition and other data, the department of local government finance shall fix a time and place for the hearing of the matter. The hearing shall be held not less than five (5) days and not more than thirty (30) days after the receipt of the certified documents. The hearing shall be held in the county where the



petition arose. Notice of the hearing shall be given by the department of local government finance to the reorganized political subdivision and to the first ten (10) taxpayer petitioners listed on the petition by letter. The letter shall be sent to the first ten (10) taxpayer petitioners at the taxpayers' usual place of residence at least five (5) days before the date of the hearing. After the hearing, the department of local government finance may reduce the reorganized political subdivision's township assistance levy to the extent that the levy is excessive or unnecessary. A taxpayer who signed a petition under this subdivision or a reorganized political subdivision against which a petition under this subdivision is filed may petition for judicial review of the final determination of the department of local government finance under this subdivision. The petition must be filed in the tax court not more than forty-five (45) days after the date of the department of local government finance's final determination.

(5) Section 40 of this chapter applies to the debt service levy of the reorganized political subdivision and to the department of local government finance's determination of the new maximum permissible ad valorem property tax levy for the reorganized political subdivision.

(6) The reorganized political subdivision may not borrow money under IC 36-6-6-14(b) or IC 36-6-6-14(c).

(7) The new maximum permissible ad valorem property tax levy for the reorganized political subdivision's firefighting **and emergency services** fund under ~~IC 36-8-13-4~~ **IC 36-8-13-4(a)(1) or the combined levies for the township firefighting fund and township emergency services fund described in IC 36-8-13-4(a)(2)** is equal to:

(A) the result of:

- (i) the maximum permissible ad valorem property tax levy for the township's firefighting **and emergency services** fund under ~~IC 36-8-13-4~~ **IC 36-8-13-4(a)(1) or the combined ad valorem property tax levies for the township firefighting fund and township emergency services fund described in IC 36-8-13-4(a)(2), as applicable**, in the year preceding the year in which the reorganization is effective; multiplied by
- (ii) the maximum levy growth quotient applicable for property taxes first due and payable in the year in which the reorganization is effective; plus

(B) any amounts borrowed by the township under



IC 36-6-6-14(b) or IC 36-6-6-14(c) in the year preceding the year in which the reorganization is effective.

SECTION 43. IC 36-6-6-14, AS AMENDED BY P.L.203-2016, SECTION 24, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2024]: Sec. 14. (a) At any special meeting, if two (2) or more members give their consent, the legislative body may determine whether there is a need for fire and emergency services or other emergency requiring the expenditure of money not included in the township's budget estimates and levy.

(b) Subject to section 14.5 of this chapter, if the legislative body finds that a need for fire and emergency services or other emergency exists, it may issue a special order, entered and signed on the record, authorizing the executive to borrow a specified amount of money sufficient to meet the emergency. However, the legislative body may not authorize the executive to borrow money under this subsection in more than three (3) calendar years during any five (5) year period.

(c) Notwithstanding IC 36-8-13-4(a), the legislative body may authorize the executive to borrow a specified sum from a township fund other than the township firefighting **or emergency services** fund, **or if applicable, the township firefighting fund or township emergency services fund** if the legislative body finds that the emergency requiring the expenditure of money is related to paying the operating expenses of a township fire department or a volunteer fire department. At its next annual session, the legislative body shall cover the debt created by making a levy to the credit of the fund for which the amount was borrowed under this subsection.

(d) In determining whether a fire and emergency services need exists requiring the expenditure of money not included in the township's budget estimates and levy, the legislative body and any reviewing authority considering the approval of the additional borrowing shall consider the following factors:

- (1) The current and projected certified and noncertified public safety payroll needs of the township.
- (2) The current and projected need for fire and emergency services within the jurisdiction served by the township.
- (3) Any applicable national standards or recommendations for the provision of fire protection and emergency services.
- (4) Current and projected growth in the number of residents and other citizens served by the township, emergency service runs, certified and noncertified personnel, and other appropriate measures of public safety needs in the jurisdiction served by the township.



(5) Salary comparisons for certified and noncertified public safety personnel in the township and other surrounding or comparable jurisdictions.

(6) Prior annual expenditures for fire and emergency services, including all amounts budgeted under this chapter.

(7) Current and projected growth in the assessed value of property requiring protection in the jurisdiction served by the township.

(8) Other factors directly related to the provision of public safety within the jurisdiction served by the township.

(e) In the event the township received additional funds under this chapter in the immediately preceding budget year for an approved expenditure, any reviewing authority shall take into consideration the use of the funds in the immediately preceding budget year and the continued need for funding the services and operations to be funded with the proceeds of the loan.

SECTION 44. IC 36-7-14-19.5, AS AMENDED BY P.L.183-2018, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 19.5. (a) Notwithstanding section 19 of this chapter, a redevelopment commission may purchase property in accordance with this section that the redevelopment commission determines is:

- (1) blighted;
- (2) unsafe;
- (3) abandoned;
- (4) foreclosed; or
- (5) structurally damaged;

from a willing seller.

(b) A redevelopment commission may purchase property described in subsection (a) as follows:

- (1) The redevelopment commission may purchase the property if:
 - (A) the sale price of the property is not more than ~~twenty-five thousand dollars (\$25,000)~~ **fifty thousand dollars (\$50,000)** or the property is for sale by another governmental agency; and
 - (B) the redevelopment commission:
 - (i) has a sufficient fund balance available; or
 - (ii) issues an obligation from public funds;

for the purchase of the property.

(2) If the sale price of the property is greater than ~~twenty-five thousand dollars (\$25,000)~~, **fifty thousand dollars (\$50,000)**, a redevelopment commission shall obtain two (2) independent appraisals of fair market value of the property. Any agreement by



the redevelopment commission to:

- (A) make a purchase under this subdivision that exceeds the greater of the two (2) appraisals;
- (B) make payments for the property to be purchased for a term exceeding three (3) years; or
- (C) pay a purchase price for the property that exceeds five million dollars (\$5,000,000);

is subject to prior approval of the legislative body of the unit.

(c) Negotiations for the purchase of property may be carried on directly by the redevelopment commission, by its employees, or by expert negotiations, but no option, contract, or understanding relative to the purchase of real property is binding on the commission until approved and accepted by the commission in writing. The commission may authorize the payment of a nominal fee to bind an option and as a part of the consideration for conveyance may agree to pay the expense incident to the conveyance and determination of the title to the property. Payment for the property purchase shall be made when and as directed by the commission but only on delivery of proper instruments conveying the title or interest of the owner to the "City (or Town or County) of _____, Department of Redevelopment".

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

SECTION 46. IC 36-8-12-13, AS AMENDED BY P.L.10-2019, SECTION 140, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2024]: Sec. 13. (a) Except as provided in subsection (b), the volunteer fire department that responds first to an incident may impose a charge on the owner of property, the owner of a vehicle, or a responsible party (as defined in IC 13-11-2-191(d)) that is involved in a hazardous material or fuel spill or chemical or hazardous material related fire (as defined in IC 13-11-2-96(b)):

- (1) that is responded to by the volunteer fire department; and
- (2) that members of that volunteer fire department assisted in extinguishing, containing, or cleaning up.

A second or subsequently responding volunteer fire department may not impose a charge on an owner or responsible party under this section, although it may be entitled to reimbursement from the first responding volunteer fire department in accordance with an interlocal or other agreement.

- (b) A volunteer fire department that is funded, in whole or in part:
 - (1) by taxes imposed by a unit; or



(2) by a contract with a unit; may not impose a charge under subsection (a) on a natural person who resides or pays property taxes within the boundaries of the unit described in subdivision (1) or (2), unless the spill or the chemical or hazardous material fire poses an imminent threat to persons or property.

(c) The volunteer fire department shall bill the owner or responsible party of the vehicle for the total dollar value of the assistance that was provided, with that value determined by a method that the state fire marshal shall establish under section 16 of this chapter. A copy of the fire incident report to the state fire marshal must accompany the bill. This billing must take place within thirty (30) days after the assistance was provided. The owner or responsible party shall remit payment directly to the governmental unit providing the service. Any money that is collected under this section may be:

(1) deposited in the township firefighting **and emergency services** fund established in ~~IC 36-8-13-4~~; **IC 36-8-13-4(a)(1) or the township firefighting fund established in IC 36-8-13-4(a)(2)(A);**

(2) used to pay principal and interest on a loan made by the department of homeland security established by IC 10-19-2-1 or a division of the department for the purchase of new or used firefighting and other emergency equipment or apparatus; or

(3) used for the purchase of equipment, buildings, and property for firefighting, fire protection, and other emergency services.

(d) Any administrative fees charged by a fire department's agent must be paid only from fees that are collected and allowed by Indiana law and the fire marshal's schedule of fees.

(e) An agent who processes fees on behalf of a fire department shall send all bills, notices, and other related materials to both the fire department and the person being billed for services.

(f) All fees allowed by Indiana law and the fire marshal's fee schedule must be itemized separately from any other charges.

(g) The volunteer fire department may maintain a civil action to recover an unpaid charge that is imposed under subsection (a) and may, if it prevails, recover all costs of the action, including reasonable attorney's fees.

SECTION 47. IC 36-8-12-16, AS AMENDED BY P.L.208-2011, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2024]: Sec. 16. (a) A volunteer fire department that provides service within a jurisdiction served by the department may establish a schedule of charges for the services that the department



provides not to exceed the state fire marshal's recommended schedule for services. The volunteer fire department or its agent may collect a service charge according to this schedule from the owner of property that receives service if the following conditions are met:

- (1) At the following times, the department gives notice under IC 5-3-1-4(d) in each political subdivision served by the department of the amount of the service charge for each service that the department provides:
 - (A) Before the schedule of service charges is initiated.
 - (B) When there is a change in the amount of a service charge.
- (2) The property owner has not sent written notice to the department to refuse service by the department to the owner's property.
- (3) The bill for payment of the service charge:
 - (A) is submitted to the property owner in writing within thirty (30) days after the services are provided;
 - (B) includes a copy of a fire incident report in the form prescribed by the state fire marshal, if the service was provided for an event that requires a fire incident report;
 - (C) must contain verification that the bill has been approved by the chief of the volunteer fire department; and
 - (D) must contain language indicating that correspondence from the property owner and any question from the property owner regarding the bill should be directed to the department.
- (4) Payment is remitted directly to the governmental unit providing the service.
- (b) A volunteer fire department shall use the revenue collected from the fire service charges under this section:
 - (1) for the purchase of equipment, buildings, and property for firefighting, fire protection, or other emergency services;
 - (2) for deposit in the township firefighting **and emergency services** fund established under ~~IC 36-8-13-4~~; **IC 36-8-13-4(a)(1) or the township firefighting fund established under IC 36-8-13-4(a)(2)(A)**; or
 - (3) to pay principal and interest on a loan made by the department of homeland security established by IC 10-19-2-1 or a division of the department for the purchase of new or used firefighting and other emergency equipment or apparatus.
- (c) Any administrative fees charged by a fire department's agent must be paid only from fees that are collected and allowed by Indiana law and the fire marshal's schedule of fees.
- (d) An agent who processes fees on behalf of a fire department shall



send all bills, notices, and other related materials to both the fire department and the person being billed for services.

(e) All fees allowed by Indiana law and the fire marshal's fee schedule must be itemized separately from any other charges.

(f) If at least twenty-five percent (25%) of the money received by a volunteer fire department for providing fire protection or emergency services is received under one (1) or more contracts with one (1) or more political subdivisions (as defined in IC 34-6-2-110), the legislative body of a contracting political subdivision must approve the schedule of service charges established under subsection (a) before the schedule of service charges is initiated in that political subdivision.

(g) A volunteer fire department that:

(1) has contracted with a political subdivision to provide fire protection or emergency services; and

(2) charges for services under this section;

must submit a report to the legislative body of the political subdivision before April 1 of each year indicating the amount of service charges collected during the previous calendar year and how those funds have been expended.

(h) The state fire marshal shall annually prepare and publish a recommended schedule of service charges for fire protection services.

(i) The volunteer fire department or its agent may maintain a civil action to recover an unpaid service charge under this section and may, if it prevails, recover all costs of the action, including reasonable attorney's fees.

SECTION 48. IC 36-8-12-17, AS AMENDED BY P.L.208-2011, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2024]: Sec. 17. (a) If a political subdivision has not imposed its own false alarm fee or service charge, a volunteer fire department that provides service within the jurisdiction may establish a service charge for responding to false alarms. The volunteer fire department may collect the false alarm service charge from the owner of the property if the volunteer fire department dispatches firefighting apparatus or personnel to a building or premises in the township in response to:

(1) an alarm caused by improper installation or improper maintenance; or

(2) a drill or test, if the fire department is not previously notified that the alarm is a drill or test.

However, if the owner of property that constitutes the owner's residence establishes that the alarm is under a maintenance contract with an alarm company and that the alarm company has been notified of the



improper installation or maintenance of the alarm, the alarm company is liable for the payment of the fee or service charge.

(b) Before establishing a false alarm service charge, the volunteer fire department must provide notice under IC 5-3-1-4(d) in each political subdivision served by the department of the amount of the false alarm service charge. The notice required by this subsection must be given:

- (1) before the false alarm service charge is initiated; and
- (2) before a change in the amount of the false alarm service charge.

(c) A volunteer fire department may not collect a false alarm service charge from a property owner or alarm company unless the department's bill for payment of the service charge:

- (1) is submitted to the property owner in writing within thirty (30) days after the false alarm; and
- (2) includes a copy of a fire incident report in the form prescribed by the state fire marshal.

(d) A volunteer fire department shall use the money collected from the false alarm service charge imposed under this section:

- (1) for the purchase of equipment, buildings, and property for fire fighting, fire protection, or other emergency services;
- (2) for deposit in the township firefighting **and emergency services** fund established under ~~IC 36-8-13-4~~; **IC 36-8-13-4(a)(1) or the township firefighting fund established under IC 36-8-13-4(a)(2)(A)**; or
- (3) to pay principal and interest on a loan made by the department of homeland security established by IC 10-19-2-1 or a division of the department for the purchase of new or used firefighting and other emergency equipment or apparatus.

(e) If at least twenty-five percent (25%) of the money received by a volunteer fire department for providing fire protection or emergency services is received under one (1) or more contracts with one (1) or more political subdivisions (as defined in IC 34-6-2-110), the legislative body of a contracting political subdivision must approve the false alarm service charge established under subsection (a) before the service charge is initiated in that political subdivision.

(f) A volunteer fire department that:

- (1) has contracted with a political subdivision to provide fire protection or emergency services; and
- (2) imposes a false alarm service charge under this section;

must submit a report to the legislative body of the political subdivision before April 1 of each year indicating the amount of false alarm



charges collected during the previous calendar year and how those funds have been expended.

(g) The volunteer fire department may maintain a civil action to recover unpaid false alarm service charges imposed under this section and may, if it prevails, recover all costs of the action, including reasonable attorney's fees.

SECTION 49. IC 36-8-13-4, AS AMENDED BY P.L.255-2017, SECTION 38, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2024]: Sec. 4. (a) Each township shall annually establish **either:**

(1) a township firefighting and emergency services fund which is to be used by the township for the payment of costs attributable to providing fire protection or emergency services under the methods prescribed in section 3 of this chapter and for no other purposes; or

(2) two (2) separate funds consisting of:

(A) a township firefighting fund that is to be used by the township for the payment of costs attributable to providing fire protection under the methods prescribed in section 3 of this chapter and for no other purposes; and

(B) a township emergency services fund that is to be used by the township for the payment of costs attributable to providing emergency services under the methods prescribed in section 3 of this chapter and for no other purposes.

The money in the ~~fund~~ **funds described in either subdivision (1) or (2)** may be paid out by the township executive with the consent of the township legislative body.

(b) Each township may levy, for each year, a tax for **either:**

(1) the township firefighting and emergency services fund described in subsection (a)(1); or

(2) both:

(A) the township firefighting fund; and

(B) the township emergency services fund;

described in subsection (a)(2).

Other than a township providing fire protection or emergency services or both to municipalities in the township under section 3(b) or 3(c) of this chapter, the tax levy is on all taxable real and personal property in the township outside the corporate boundaries of municipalities. Subject to the levy limitations contained in IC 6-1.1-18.5, the township **firefighting and emergency services** levy is to be in an amount sufficient to pay costs attributable to fire protection and emergency



services that are not paid from other revenues available to the fund. **If a township establishes a township firefighting fund and a township emergency services fund described in subdivision (2), the combined levies are to be an amount sufficient to pay costs attributable to fire protection and emergency services. However, fire protection services may be paid only from the township firefighting fund and emergency services may be paid only from the township emergency services fund, and each fund may pay costs attributable to the respective fund for services that are not paid from other revenues available to either applicable fund.** The tax rate and levy for a levy described in this subsection shall be established in accordance with the procedures set forth in IC 6-1.1-17.

(c) In addition to the tax levy and service charges received under IC 36-8-12-13 and IC 36-8-12-16, the executive may accept donations to the township for the purpose of firefighting and other emergency services and shall place them in the ~~fund~~; **township firefighting and emergency services fund established under subsection (a)(1), or if applicable, the township firefighting fund established under subsection (a)(2)(A) if the purpose of the donation is for firefighting, or in the township emergency services fund established under subsection (a)(2)(B) if the purpose of the donation is for emergency services,** keeping an accurate record of the sums received. A person may also donate partial payment of any purchase of firefighting or other emergency services equipment made by the township.

(d) If a fire department serving a township dispatches fire apparatus or personnel to a building or premises in the township in response to:

- (1) an alarm caused by improper installation or improper maintenance; or
- (2) a drill or test, if the fire department is not previously notified that the alarm is a drill or test;

the township may impose a fee or service charge upon the owner of the property. However, if the owner of property that constitutes the owner's residence establishes that the alarm is under a maintenance contract with an alarm company and that the alarm company has been notified of the improper installation or maintenance of the alarm, the alarm company is liable for the payment of the fee or service charge.

(e) The amount of a fee or service charge imposed under subsection (d) shall be determined by the township legislative body. All money received by the township from the fee or service charge must be deposited in the township's firefighting **and emergency services fund or the township's firefighting fund.**



SECTION 50. IC 36-8-13-4.5, AS AMENDED BY P.L.255-2017, SECTION 39, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2024]: Sec. 4.5. (a) This section applies to a township that provides fire protection or emergency services or both to a municipality in the township under section 3(b) or 3(c) of this chapter.

(b) **Except as provided in subsection (c),** with the consent of the township legislative body, the township executive may pay the expenses for fire protection and emergency services in the township, both inside and outside the corporate boundaries of participating municipalities, from any combination of the following township funds, regardless of when the funds were established:

- (1) The township firefighting **and emergency services** fund under section **4 4(a)(1)** of this chapter.
- (2) The cumulative building and equipment fund under IC 36-8-14.
- (3) The debt fund under sections 6 and 6.5 of this chapter.
- (4) The rainy day fund established under IC 36-1-8-5.1.

(c) If a township establishes a township firefighting fund and a township emergency services fund described in section 4(a)(2) of this chapter, and with the consent of the township legislative body, the township executive may pay the expenses for fire protection from the township firefighting fund and emergency services from the township emergency services fund, both inside and outside the corporate boundaries of participating municipalities.

(e)(d) Subject to the levy limitations contained in IC 6-1.1-18.5, the tax rate and levy for the township firefighting **and emergency services** fund **or the combined levies for the township firefighting fund and the township emergency services fund (as applicable),** the cumulative building and equipment fund, or the debt fund is to be in an amount sufficient to pay all costs attributable to fire protection or emergency services that are provided to the township and the participating municipalities that are not paid from other available revenues. The tax rate and levy for each fund shall be established in accordance with the procedures set forth in IC 6-1.1-17 and apply both inside and outside the corporate boundaries of participating municipalities.

(d)(e) The township executive may accept donations for the purpose of firefighting and emergency services. The township executive shall place donations in the township firefighting **and emergency services** fund **established under section 4(a)(1) of this chapter, or if applicable, the township firefighting fund established under section 4(a)(2)(A) of this chapter if the purpose of the**



donation is for firefighting, or the township emergency services fund established under section 4(a)(2)(B) of this chapter if the purpose of the donation is for emergency services. A person may donate partial payment of a purchase of firefighting or emergency services equipment made by the township.

SECTION 51. IC 36-8-13-4.6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2024]: Sec. 4.6. (a) For townships and municipalities that elect to have the township provide fire protection and emergency services under section 3(b) of this chapter, the department of local government finance shall adjust each township's and each municipality's maximum permissible levy in the year following the year in which the change is elected, as determined under IC 6-1.1-18.5-3, to reflect the change from providing fire protection **or emergency services** under a contract between the municipality and the township to allowing the township to impose a property tax levy on the taxable property located within the corporate boundaries of each municipality. Each municipality's maximum permissible property tax levy shall be reduced by the amount of the municipality's property tax levy that was imposed by the municipality to meet the obligations to the township under the fire protection **or emergency services** contract. The township's maximum permissible property tax levy shall be increased by the product of:

- (1) one and five-hundredths (1.05); multiplied by
- (2) the amount the township received:
 - (A) in the year in which the change is elected; and
 - (B) as fire protection **or emergency services** contract payments from all municipalities whose levy is decreased under this section.

(b) For purposes of determining a township's or municipality's maximum permissible ad valorem property tax levy under IC 6-1.1-18.5-3 for years following the first year after the year in which the change is elected, a township's or municipality's maximum permissible ad valorem property tax levy is the levy after the adjustment made under subsection (a).

SECTION 52. IC 36-8-13-4.7, AS AMENDED BY P.L.257-2019, SECTION 156, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2024]: Sec. 4.7. (a) For a township that elects to have the township provide fire protection and emergency services under section 3(c) of this chapter, the department of local government finance shall adjust the township's maximum permissible levy **described in section 4(b)(1) or 4(b)(2) of this chapter, as applicable**, in the year following the year in which the change is



elected, as determined under IC 6-1.1-18.5-3, to reflect the change from providing fire protection or emergency services under a contract between the municipality and the township to allowing the township to impose a property tax levy on the taxable property located within the corporate boundaries of each municipality. For the ensuing calendar year, the township's maximum permissible property tax levy **described in section 4(b)(1) of this chapter, or the combined levies described in section 4(b)(2) of this chapter, which is considered a single levy for purposes of this section**, shall be increased by the product of:

- (1) one and five-hundredths (1.05); multiplied by
- (2) the amount the township contracted or billed to receive, regardless of whether the amount was collected:
 - (A) in the year in which the change is elected; and
 - (B) as fire protection or emergency service payments from the municipalities or residents of the municipalities covered by the election under section 3(c) of this chapter.

The maximum permissible levy for a general fund or other fund of a municipality covered by the election under section 3(c) of this chapter shall be reduced for the ensuing calendar year to reflect the change to allowing the township to impose a property tax levy on the taxable property located within the corporate boundaries of the municipality. The total reduction in the maximum permissible levies for all electing municipalities must equal the amount that the maximum permissible levy for the township **described in section 4(b)(1) of this chapter or the combined levies described in section 4(b)(2) of this chapter, as applicable**, is increased under this subsection for contracts or billings, regardless of whether the amount was collected, less the amount actually paid from sources other than property tax revenue.

(b) For purposes of determining a township's and each municipality's maximum permissible ad valorem property tax levy under IC 6-1.1-18.5-3 for years following the first year after the year in which the change is elected, a township's and each municipality's maximum permissible ad valorem property tax levy is the levy **(or in the case of a township electing to establish levies described in section 4(b)(2) of this chapter, the combined levies)** after the adjustment made under subsection (a).

(c) The township may use the amount of a maximum permissible property tax levy **(or in the case of a township electing to establish levies described in section 4(b)(2) of this chapter, the combined levies)** computed under this section in setting budgets and property tax levies for any year in which the election in section 3(c) of this chapter is in effect.



(d) Section 4.6 of this chapter does not apply to a property tax levy or a maximum property tax levy subject to this section.

SECTION 53. IC 36-8-13-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2024]: Sec. 9. (a) A township shall pay for the care of a full-time, paid firefighter who suffers:

- (1) an injury; or
- (2) contracts an illness;

during the performance of the firefighter's duty.

(b) The township shall pay for the following expenses incurred by a firefighter described in subsection (a):

- (1) Medical and surgical care.
- (2) Medicines and laboratory, curative, and palliative agents and means.
- (3) X-ray, diagnostic, and therapeutic service, including during the recovery period.
- (4) Hospital and special nursing care if the physician or surgeon in charge considers it necessary for proper recovery.

(c) Expenditures required by subsection (a) shall be paid from the township firefighting **and emergency services** fund established by section 4 **4(a)(1)** of this chapter **or the township firefighting fund established in section 4(a)(2)(A) of this chapter, as applicable.**

(d) A township that has paid for the care of a firefighter under subsection (a) has a cause of action for reimbursement of the amount paid under subsection (a) against any third party against whom the firefighter has a cause of action for an injury sustained because of, or an illness caused by, the third party. The township's cause of action under this subsection is in addition to, and not in lieu of, the cause of action of the firefighter against the third party."

Page 40, after line 42, begin a new paragraph and insert:

"SECTION 32. [EFFECTIVE JANUARY 1, 2023 (RETROACTIVE)] **(a) IC 6-1.1-10-27, as amended by this act, applies to assessment dates occurring after December 31, 2022.**

(b) This SECTION expires January 1, 2027.

SECTION 33. **An emergency is declared for this act."**

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to HB 1454 as introduced.)

THOMPSON

Committee Vote: yeas 24, nays 0.

EH 1454—LS 7062/DI 134



COMMITTEE REPORT

Madam President: The Senate Committee on Tax and Fiscal Policy, to which was referred House Bill No. 1454, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

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

"SECTION 1. IC 5-1-8-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 1. **(a)** The county council may, in its discretion, authorize the issuance and sale of judgment funding bonds of the county for the purpose of procuring funds to pay any judgment taken against the county. Such bonds shall be authorized, issued and sold pursuant to statutes governing the issuance of refunding bonds of the county, and the amount thereof shall not exceed the face of the judgment or judgments being funded, plus the accrued interest thereon, together with the costs taxed by the court.

(b) The term of any judgment funding bond under subsection (a) with regard to either:

(1) the city of Hobart; or

(2) the Merrillville Community School Corporation;

issued for the purpose of paying a property tax judgment rendered against Lake County for assessment year 2011, 2012, 2013, or 2014 shall be twenty-five (25) years."

Page 2, line 2, strike "and".

Page 2, between lines 2 and 3, begin a new line double block indented and insert:

"(E) taxing districts;

(F) special taxing districts; and"

Page 2, line 3, strike "(E)" and insert "(G)".

Page 2, between lines 13 and 14, begin a new paragraph and insert:

"SECTION 2. IC 5-1-11-6, AS AMENDED BY P.L.38-2021, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 6. (a) In cases where other statutes authorize the issuance and exchange of new bonds for the purpose of refunding or redeeming outstanding bonds for the payment of which no funds are available, it shall be the duty of the officers charged with issuance and exchange of the new bonds to cause the bonds to be offered:

(1) at a public sale as provided in this chapter; or

(2) alternatively, at a negotiated sale after June 30, 2018, and before July 1, 2023; **2025**, in the case of:

(A) counties;



- (B) townships;
- (C) cities;
- (D) towns; ~~and~~
- (E) taxing districts;**
- (F) special taxing districts; and**
- ~~(E)~~ **(G) school corporations.**

(b) In cases where it is necessary to provide for the refunding of bonds or interest coupons maturing at various times over a period not exceeding six (6) months, the bodies and officials charged with the duty of issuing and selling the refunding bonds may, for the purpose of reducing the cost of issuance of the bonds, issue and sell one (1) issue of bonds in an amount sufficient to provide for the refunding of all of the bonds and interest coupons required to be refunded during the six (6) month period.

SECTION 3. IC 5-1-14-10, AS AMENDED BY P.L.229-2011, SECTION 66, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 10. (a) If an issuer has issued obligations under a statute that establishes a maximum term or repayment period for the obligations, notwithstanding that statute, the issuer may continue to make payments of principal, interest, or both, on the obligations after the expiration of the term or period if principal or interest owed to owners of the obligations remains unpaid.

(b) This section does not authorize the use of revenues or funds to make payments of principal and interest other than those revenues or funds that were pledged for the payments before the expiration of the term or period.

(c) Except as otherwise provided by this section, IC 5-1-5-2.5, **IC 5-1-8-1(b)**, IC 16-22-8-43, IC 36-7-12-27, IC 36-7-14-25.1, or IC 36-9-13-30 (but only with respect to any bonds issued under IC 36-9-13-30 that are secured by a lease entered into by a political subdivision organized and existing under IC 16-22-8), the maximum term or repayment period for obligations issued after June 30, 2008, that are wholly or partially payable from ad valorem property taxes, special benefit taxes on property, or tax increment revenues derived from property taxes may not exceed:

- (1) the maximum applicable period under federal law, for obligations that are issued to evidence loans made or guaranteed by the federal government or a federal agency;
- (2) twenty-five (25) years, for obligations that are wholly or partially payable from tax increment revenues derived from property taxes; or
- (3) twenty (20) years, for obligations that are not described in



subdivision (1) or (2), and are wholly or partially payable from ad valorem property taxes or special benefit taxes on property.

SECTION 4. IC 5-13-9-2, AS AMENDED BY P.L.104-2022, SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 2. (a) Each officer designated in section 1 of this chapter may invest or reinvest any funds that are held by the officer and available for investment in any of the following:

(1) Securities backed by the full faith and credit of the United States Treasury or fully guaranteed by the United States and issued by any of the following:

- (A) The United States Treasury.
- (B) A federal agency.
- (C) A federal instrumentality.
- (D) A federal government sponsored enterprise.

(2) Securities fully guaranteed and issued by any of the following:

- (A) A federal agency.
- (B) A federal instrumentality.
- (C) A federal government sponsored enterprise.

(3) Municipal securities issued by an Indiana local governmental entity, a quasi-governmental entity related to the state, ~~or~~ a unit of government, municipal corporation, or special taxing district in Indiana, **or a nonprofit building corporation created by a municipal corporation**, if the issuer has not defaulted on any of the issuer's obligations within the twenty (20) years preceding the date of the purchase. A security purchased by the treasurer of state under this subdivision must have a stated final maturity of not more than ten (10) years after the date of purchase. **However, a security purchased by the treasurer of state from the Indiana bond bank under this subdivision must have a stated final maturity of not more than twenty-five (25) years after the date of purchase.**

(b) If an investment under subsection (a) is made at a cost in excess of the par value of the securities purchased, any premium paid for the securities shall be deducted from the first interest received and returned to the fund from which the investment was purchased, and only the net amount is considered interest income.

(c) The officer making the investment may sell any securities acquired and may do anything necessary to protect the interests of the funds invested, including the exercise of exchange privileges which may be granted with respect to maturing securities in cases where the new securities offered in exchange meet the requirements for initial investment.



(d) The investing officers of the political subdivisions are the legal custodians of securities under this chapter. They shall accept safekeeping receipts or other reporting for securities from:

- (1) a duly designated depository as prescribed in this article; or
- (2) a financial institution located either in or out of Indiana having custody of securities with a combined capital and surplus of at least ten million dollars (\$10,000,000) according to the last statement of condition filed by the financial institution with its governmental supervisory body.

(e) The state board of accounts may rely on safekeeping receipts or other reporting from any depository or financial institution.

(f) In addition to any other investments allowed under this chapter, an officer of a conservancy district located in a city having a population of more than five thousand (5,000) and less than five thousand one hundred thirty (5,130) may also invest in:

- (1) municipal securities; and
- (2) equity securities;

having a stated final maturity of any number of years or having no stated final maturity. The total investments outstanding under this subsection may not exceed twenty-five percent (25%) of the total portfolio of funds invested by the officer of a conservancy district. However, an investment that complies with this subsection when the investment is made remains legal even if a subsequent decrease in the total portfolio invested by the officer of a conservancy district causes the percentage of investments outstanding under this subsection to exceed twenty-five percent (25%).

(g) In addition to any other investments allowed under this chapter, the clerk-treasurer of a town with a population of more than ten thousand (10,000) and less than twenty thousand (20,000) located in a county having a population of more than one hundred seventy-four thousand (174,000) and less than one hundred eighty thousand (180,000) may also invest money in a host community agreement future fund established by ordinance of the town in:

- (1) municipal securities; and
- (2) equity securities;

having a stated final maturity of any number of years or having no stated final maturity. The total investments outstanding under this subsection may not exceed twenty-five percent (25%) of the total portfolio of funds invested by the clerk-treasurer of a town. However, an investment that complies with this subsection when the investment is made remains legal even if a subsequent decrease in the total portfolio invested by the clerk-treasurer of a town causes the



percentage of investments outstanding under this subsection to exceed twenty-five percent (25%).".

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

"SECTION 5. IC 5-28-41-17 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: **Sec. 17. In addition to the purposes described in section 7 of this chapter, the following expenses are eligible to be funded by the fund:**

- (1) Costs associated with increasing housing and associated infrastructure, including strategies that lead to permanent housing for individuals experiencing homelessness.**
- (2) Costs related to programs to support community mental health and public health.**
- (3) Costs related to providing broadband services, but only if:**
 - (A) all other funding sources for the provision of broadband have been exhausted; and**
 - (B) the projects funded in whole or in part by a grant or loan from the fund satisfy the criteria and requirements described in IC 4-4-38.5.**
- (4) Costs related to improving the quality of life in the region."**

Page 4, delete lines 39 through 40.

Page 10, between lines 3 and 4, begin a new paragraph and insert:

"SECTION 10. IC 6-1.1-8.1 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2023 (RETROACTIVE)]:

Chapter 8.1. Controlled Environment Agriculture Property

Sec. 1. This section applies to assessment dates after December 31, 2022.

Sec. 2. As used in this chapter, "controlled environment agriculture property" has the meaning set forth in IC 6-1.1-20.6-1.3.

Sec. 3. Land of controlled environment agricultural property shall be classified and assessed as agricultural, and the improvements shall be classified and assessed as an agricultural greenhouse.

SECTION 11. IC 6-1.1-10-16, AS AMENDED BY P.L.85-2019, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2019 (RETROACTIVE)]: **Sec. 16. (a) All or part of a building is exempt from property taxation if it is owned, occupied, and used by a person for educational, literary, scientific, religious, or**



charitable purposes.

(b) A building is exempt from property taxation if it is owned, occupied, and used by a town, city, township, or county for educational, literary, scientific, fraternal, or charitable purposes.

(c) A tract of land, including the campus and athletic grounds of an educational institution, is exempt from property taxation if:

- (1) a building that is exempt under subsection (a) or (b) is situated on it;
- (2) a parking lot or structure that serves a building referred to in subdivision (1) is situated on it; or
- (3) the tract:
 - (A) is owned by a nonprofit entity established for the purpose of retaining and preserving land and water for their natural characteristics;
 - (B) does not exceed five hundred (500) acres; and
 - (C) is not used by the nonprofit entity to make a profit.

(d) A tract of land is exempt from property taxation if:

- (1) it is purchased for the purpose of erecting a building that is to be owned, occupied, and used in such a manner that the building will be exempt under subsection (a) or (b); and
- (2) not more than four (4) years after the property is purchased, and for each year after the four (4) year period, the owner demonstrates substantial progress and active pursuit towards the erection of the intended building and use of the tract for the exempt purpose. To establish substantial progress and active pursuit under this subdivision, the owner must prove the existence of factors such as the following:
 - (A) Organization of and activity by a building committee or other oversight group.
 - (B) Completion and filing of building plans with the appropriate local government authority.
 - (C) Cash reserves dedicated to the project of a sufficient amount to lead a reasonable individual to believe the actual construction can and will begin within four (4) years.
 - (D) The breaking of ground and the beginning of actual construction.
 - (E) Any other factor that would lead a reasonable individual to believe that construction of the building is an active plan and that the building is capable of being completed within eight (8) years considering the circumstances of the owner.

If the owner of the property sells, leases, or otherwise transfers a tract of land that is exempt under this subsection, the owner is liable for the



property taxes that were not imposed upon the tract of land during the period beginning January 1 of the fourth year following the purchase of the property and ending on December 31 of the year of the sale, lease, or transfer. The county auditor of the county in which the tract of land is located may establish an installment plan for the repayment of taxes due under this subsection. The plan established by the county auditor may allow the repayment of the taxes over a period of years equal to the number of years for which property taxes must be repaid under this subsection.

(e) Personal property is exempt from property taxation if it is owned and used in such a manner that it would be exempt under subsection (a) or (b) if it were a building.

(f) A hospital's property that is exempt from property taxation under subsection (a), (b), or (e) shall remain exempt from property taxation even if the property is used in part to furnish goods or services to another hospital whose property qualifies for exemption under this section.

(g) Property owned by a shared hospital services organization that is exempt from federal income taxation under Section 501(c)(3) or 501(e) of the Internal Revenue Code is exempt from property taxation if it is owned, occupied, and used exclusively to furnish goods or services to a hospital whose property is exempt from property taxation under subsection (a), (b), or (e).

(h) This section does not exempt from property tax an office or a practice of a physician or group of physicians that is owned by a hospital licensed under IC 16-21-2 or other property that is not substantially related to or supportive of the inpatient facility of the hospital unless the office, practice, or other property:

- (1) provides or supports the provision of charity care (as defined in IC 16-18-2-52.5), including providing funds or other financial support for health care services for individuals who are indigent (as defined in IC 16-18-2-52.5(b) and IC 16-18-2-52.5(c)); or
- (2) provides or supports the provision of community benefits (as defined in IC 16-21-9-1), including research, education, or government sponsored indigent health care (as defined in IC 16-21-9-2).

However, participation in the Medicaid or Medicare program alone does not entitle an office, practice, or other property described in this subsection to an exemption under this section.

(i) A tract of land or a tract of land plus all or part of a structure on the land is exempt from property taxation if:

- (1) the tract is acquired for the purpose of erecting, renovating, or



improving a single family residential structure that is to be given away or sold:

- (A) in a charitable manner;
- (B) by a nonprofit organization; and
- (C) to low income individuals who will:
 - (i) use the land as a family residence; and
 - (ii) not have an exemption for the land under this section;
- (2) the tract does not exceed three (3) acres; and
- (3) the tract of land or the tract of land plus all or part of a structure on the land is not used for profit while exempt under this section.

(j) An exemption under subsection (i) terminates when the property is conveyed by the nonprofit organization to another owner.

(k) When property that is exempt in any year under subsection (i) is conveyed to another owner, the nonprofit organization receiving the exemption must file a certified statement with the auditor of the county, notifying the auditor of the change not later than sixty (60) days after the date of the conveyance. The county auditor shall immediately forward a copy of the certified statement to the county assessor. A nonprofit organization that fails to file the statement required by this subsection is liable for the amount of property taxes due on the property conveyed if it were not for the exemption allowed under this chapter.

(l) If property is granted an exemption in any year under subsection (i) and the owner:

- (1) fails to transfer the tangible property within eight (8) years after the assessment date for which the exemption is initially granted; or
- (2) transfers the tangible property to a person who:
 - (A) is not a low income individual; or
 - (B) does not use the transferred property as a residence for at least one (1) year after the property is transferred;

the person receiving the exemption shall notify the county recorder and the county auditor of the county in which the property is located not later than sixty (60) days after the event described in subdivision (1) or (2) occurs. The county auditor shall immediately inform the county assessor of a notification received under this subsection.

(m) If subsection (l)(1) or (l)(2) applies, the owner shall pay, not later than the date that the next installment of property taxes is due, an amount equal to the sum of the following:

- (1) The total property taxes that, if it were not for the exemption under subsection (i), would have been levied on the property in



each year in which an exemption was allowed.

(2) Interest on the property taxes at the rate of ten percent (10%) per year.

(n) The liability imposed by subsection (m) is a lien upon the property receiving the exemption under subsection (i). An amount collected under subsection (m) shall be collected as an excess levy. If the amount is not paid, it shall be collected in the same manner that delinquent taxes on real property are collected.

(o) Property referred to in this section shall be assessed to the extent required under IC 6-1.1-11-9.

(p) A for-profit provider of early childhood education services to children who are at least four (4) but less than six (6) years of age on the annual assessment date may receive the exemption provided by this section for property used for educational purposes only if all the requirements of section 46 of this chapter are satisfied. A for-profit provider of early childhood education services that provides the services only to children younger than four (4) years of age may not receive the exemption provided by this section for property used for educational purposes.

(q) Tangible property is exempt from property taxation if it is:

(1) owned by a nonprofit entity; and

(2) used by a nonprofit entity for a charitable purpose in the operation of a residential facility for the aged that is either:

(A) registered as a continuing care retirement community under IC 23-2-4; or

(B) licensed as a health care facility under IC 16-28;

or both.

SECTION 12. IC 6-1.1-10-18.5, AS AMENDED BY P.L.197-2011, SECTION 33, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2019 (RETROACTIVE)]: Sec. 18.5. (a) This section does not exempt from property tax an office or a practice of a physician or group of physicians that is owned by a hospital licensed under IC 16-21-2 or other property that is not substantially related to or supportive of the inpatient facility of the hospital unless the office, practice, or other property:

(1) provides or supports the provision of charity care (as defined in IC 16-18-2-52.5), including funds or other financial support for health care services for individuals who are indigent (as defined in IC 16-18-2-52.5(b) and IC 16-18-2-52.5(c)); or

(2) provides or supports the provision of community benefits (as defined in IC 16-21-9-1), including research, education, or government sponsored indigent health care (as defined in



IC 16-21-9-2).

However, participation in the Medicaid or Medicare program, alone, does not entitle an office, a practice, or other property described in this subsection to an exemption under this section.

(b) Tangible property is exempt from property taxation if it is:

- (1) owned **or leased** by an Indiana nonprofit corporation; and
- (2) used by that corporation **or leased by that corporation to another nonprofit corporation** in the operation of a hospital licensed under IC 16-21, a health facility licensed under IC 16-28, **or in the operation of** a residential facility for the aged and licensed under IC 16-28, **a continuing care retirement community registered under IC 23-2-4**, or **in the operation of** a Christian Science home or sanatorium.

(c) Property referred to in this section shall be assessed to the extent required under IC 6-1.1-11-9."

Page 21, between lines 22 and 23, begin a new paragraph and insert:

"SECTION 14. IC 6-1.1-15-1.2, AS AMENDED BY P.L.121-2019, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 1.2. (a) A county or township official who receives a written notice under section 1.1 of this chapter shall schedule, at a time during business hours that is convenient to the taxpayer, a preliminary informal meeting with the taxpayer in order to resolve the appeal. If the taxpayer raises a claim regarding a matter that is in the discretion of the county auditor, the informal meeting must include the county auditor. At the preliminary informal meeting, in order to facilitate understanding and the resolution of disputed issues, a county or township official, the county auditor, if the matter is in the discretion of the county auditor, and the taxpayer shall exchange the information that each party is relying on at the time of the preliminary informal meeting to support the party's respective position on each disputed issue concerning the assessment or deduction. If additional information is obtained by the county or township official, the county auditor, or the taxpayer after the preliminary informal meeting and before the hearing held by the county board, the party obtaining the information shall provide the information to the other party. If the county or township official, the county auditor, or the taxpayer obtains additional information and provides the information to the other party for the first time at the hearing held by the county board, the county board, unless waived by the receiving party, shall continue the hearing until a future hearing date of the county board so that the receiving party has an opportunity to review all the information that the offering party is relying on to support the offering party's positions on the



disputed issues concerning the assessment or deduction.

(b) The official shall report on a form prescribed by the department of local government finance the results of the informal meeting. If the taxpayer and the official agree on the resolution of all issues in the appeal, the report shall state the agreed resolution of the matter and be signed by the official and the taxpayer. If an informal meeting is not held, or the informal meeting is unsuccessful, the official shall report those facts on the form. The official shall forward the report on the informal meeting to the county board.

(c) If the county board receives a report on the informal meeting indicating an agreed resolution of the matter, the county board shall vote to accept or deny the agreed resolution. If the county board accepts the agreed resolution, the county board shall issue a notification of final assessment determination adopting the agreed resolution and vacating the hearing if scheduled.

(d) The county board, upon receipt of a written notice under section 1.1 of this chapter, shall hold a hearing on the appeal not later than one hundred eighty (180) days after the filing date of the written notice. The county board shall, by mail, give at least thirty (30) days notice of the date, time, and place fixed for the hearing to the taxpayer, the county or township official with whom the taxpayer filed the written notice, and the county auditor. If the county board has notice that the taxpayer is represented by a third person, any hearing notice shall be mailed to the representative.

(e) If good cause is shown, the county board shall grant a request for continuance filed in writing at least ten (10) days before the hearing, and reschedule the hearing under subsection (d).

(f) A taxpayer may withdraw an appeal by filing a written request at least ten (10) days before the hearing. The county board shall issue a notification of final assessment determination indicating the withdrawal and no change in the assessment. A withdrawal waives a taxpayer's right to appeal to the Indiana board.

(g) The county board shall determine an appeal without a hearing if requested by the taxpayer in writing at least twenty (20) days before the hearing.

(h) If a taxpayer appeals the assessment of tangible property under section 1.1 of this chapter, the taxpayer is not required to have an appraisal of the property in order to initiate the appeal or prosecute the appeal.

(i) At a hearing under subsection (d), the taxpayer shall have the opportunity to present testimony and evidence regarding the matters on appeal. If the matters on appeal are in the discretion of the county



auditor, the county auditor or the county auditor's representative shall attend the hearing. A county or township official, or the county auditor or the county auditor's representative, shall have an opportunity to present testimony and evidence regarding the matters on appeal. The county board may adjourn and continue the hearing to a later date in order to make a physical inspection or consider the evidence presented.

(j) The county board shall determine the assessment by motion and majority vote. A county board may, based on the evidence before it, increase an assessment. The county board shall issue a written decision. Written notice of the decision shall be given to the township official, county official, county auditor, and the taxpayer.

(k) If more than one hundred eighty (180) days have passed since the date the notice of appeal was filed, and the county board has not issued a determination, a taxpayer may initiate any appeal with the Indiana board of tax review under section 3 of this chapter.

(l) The county assessor may assess a penalty of fifty dollars (\$50) against the taxpayer if the taxpayer or representative fails to appear at a hearing under subsection (d) and, under subsection (e), the taxpayer's request for continuance is denied, or the taxpayer's request for continuance, request for the board to take action without a hearing, or withdrawal is not timely filed. A taxpayer may appeal the assessment of the penalty to the Indiana board or directly to the tax court. The penalty may not be added as an amount owed on the property tax statement under IC 6-1.1-22 or IC 6-1.1-22.5.

(m) Notwithstanding any other law, a determination of an appealed assessed value by a county or township official resulting from an informal meeting under subsection (a), or by a county board resulting from an appeal hearing under subsection (d), may be less than or equal to the original appealed assessed value at issue, but may not exceed the original appealed assessed value at issue.

SECTION 15. IC 6-1.1-15-4, AS AMENDED BY P.L.156-2020, SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 4. (a) After receiving a petition for review which is filed under section 3 of this chapter, the Indiana board shall conduct a hearing at its earliest opportunity. The Indiana board may correct any errors related to a claim under section 1.1 of this chapter that is within the jurisdiction of the Indiana board under IC 6-1.5-4-1.

(b) If the Indiana board conducts a site inspection of the property as part of its review of the petition, the Indiana board shall give notice to all parties of the date and time of the site inspection. The Indiana board is not required to assess the property in question. The Indiana board



shall give notice of the date fixed for the hearing, by mail, to the parties or a party's representative. The Indiana board shall give these notices at least thirty (30) days before the day fixed for the hearing unless the parties agree to a shorter period. With respect to a petition for review filed by a county assessor, the county board that made the determination under review under this section may file an amicus curiae brief in the review proceeding under this section. The expenses incurred by the county board in filing the amicus curiae brief shall be paid from the property reassessment fund under IC 6-1.1-4-27.5 of the county in which the property is located. The executive of a taxing unit may file an amicus curiae brief in the review proceeding under this section if the property that is the subject of the appeal is subject to assessment by that taxing unit.

(c) If a petition for review does not comply with the Indiana board's instructions for completing the form prescribed under section 3 of this chapter, the Indiana board shall return the petition to the petitioner and include a notice describing the defect in the petition. The petitioner then has thirty (30) days from the date on the notice to cure the defect and file a corrected petition. The Indiana board shall deny a corrected petition for review if it does not substantially comply with the Indiana board's instructions for completing the form prescribed under section 3 of this chapter.

(d) After the hearing, the Indiana board shall give the parties and any entity that filed an amicus curiae brief, or their representatives:

- (1) notice, by mail, of its final determination; and
- (2) for parties entitled to appeal the final determination, notice of the procedures they must follow in order to obtain court review under section 5 of this chapter.

(e) The Indiana board shall conduct a hearing not later than one (1) year after a petition in proper form is filed with the Indiana board.

(f) The Indiana board shall issue a determination not later than the later of:

- (1) ninety (90) days after the hearing; or
- (2) the date set in an extension order issued by the Indiana board. The board may not extend the date by more than one hundred eighty (180) days.

(g) The time periods described in subsections (e) and (f) do not include any period of time that is attributable to a party's:

- (1) request for a continuance, stay, extension, or summary disposition;
- (2) consent to a case management order, stipulated record, or proposed hearing date;



- (3) failure to comply with the board's orders or rules; or
- (4) waiver of a deadline.
- (h) If the Indiana board fails to take action required under subsection (e) or (f), the entity that initiated the petition may:
 - (1) take no action and wait for the Indiana board to hear the matter and issue a final determination; or
 - (2) petition for judicial review under section 5 of this chapter.
- (i) This subsection applies when the board has not held a hearing. A person may not seek judicial review under subsection (h)(2) until:
 - (1) the person requests a hearing in writing; and
 - (2) sixty (60) days have passed after the person requests a hearing under subdivision (1) and the matter has not been heard or otherwise extended under subsection (g).
- (j) A final determination must include separately stated findings of fact for all aspects of the determination. Findings of ultimate fact must be accompanied by a concise statement of the underlying basic facts of record to support the findings. Findings must be based exclusively upon the evidence on the record in the proceeding and on matters officially noticed in the proceeding. Findings must be based upon a preponderance of the evidence.
- (k) The Indiana board may limit the scope of the appeal to the issues raised in the petition and the evaluation of the evidence presented to the county board in support of those issues only if all parties participating in the hearing required under subsection (a) agree to the limitation. A party participating in the hearing required under subsection (a) is entitled to introduce evidence that is otherwise proper and admissible without regard to whether that evidence has previously been introduced at a hearing before the county board.
- (l) The Indiana board may require the parties to the appeal:
 - (1) to file not more than five (5) business days before the date of the hearing required under subsection (a) documentary evidence or summaries of statements of testimonial evidence; and
 - (2) to file not more than fifteen (15) business days before the date of the hearing required under subsection (a) lists of witnesses and exhibits to be introduced at the hearing.
- (m) A party to a proceeding before the Indiana board shall provide to all other parties to the proceeding the information described in subsection (l) if the other party requests the information in writing at least ten (10) days before the deadline for filing of the information under subsection (l).
- (n) The Indiana board may base its final determination on a stipulation between the respondent and the petitioner. If the final



determination is based on a stipulated assessed valuation of tangible property, the Indiana board may order the placement of a notation on the permanent assessment record of the tangible property that the assessed valuation was determined by stipulation. The Indiana board may:

- (1) order that a final determination under this subsection has no precedential value; or
- (2) specify a limited precedential value of a final determination under this subsection.

(o) If a party to a proceeding, or a party's authorized representative, elects to receive any notice under this section by electronic mail, the notice is considered effective in the same manner as if the notice had been sent by United States mail, with postage prepaid, to the party's or representative's mailing address of record.

(p) At a hearing under this section, the Indiana board shall admit into evidence an appraisal report, prepared by an appraiser, unless the appraisal report is ruled inadmissible on grounds besides a hearsay objection. This exception to the hearsay rule shall not be construed to limit the discretion of the Indiana board, as trier of fact, to review the probative value of an appraisal report.

(q) Notwithstanding any other law, a determination of an appealed assessed value by the Indiana board resulting from an appeal hearing under this section may be less than or equal to the original appealed assessed value at issue, but may not exceed the original appealed assessed value at issue."

Page 24, delete lines 5 through 42, begin a new paragraph and insert:

"SECTION 16. IC 6-1.1-18-34 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: **Sec. 34. (a) Except as otherwise provided in this section, this section:**

- (1) does not apply until the expiration of IC 20-45-8 under IC 20-45-8-29(a); and**
- (2) upon the expiration of IC 20-45-8 under IC 20-45-8-29(a) applies only to a school corporation that has under its jurisdiction any territory located in Dearborn County.**

(b) Subject to subsection (c), the superintendent of a school corporation may, after approval by the governing body of the school corporation, and before September 1 of the year immediately preceding the expiration of IC 20-45-8, submit a petition to the department of local government finance requesting an increase in the school corporation's maximum permissible ad



valorem property tax levy under IC 20-46-8-1 for its operations fund for property taxes first due and payable in the year after the expiration of IC 20-45-8.

(c) Before the governing body of the school corporation may approve a petition under subsection (b), the governing body of the school corporation must hold a public hearing on the petition. The governing body of the school corporation shall give notice of the public hearing under IC 5-3-1. At the public hearing, the governing body of the school corporation shall make available to the public the following:

- (1) A fiscal plan describing the need for the increase to the levy and the expenditures for which the revenue generated from the increase to the levy will be used.
- (2) A statement that the proposed increase will be a permanent increase to the school corporation's maximum permissible ad valorem property tax levy under IC 20-46-8-1 for its operations fund.
- (3) The estimated effect of the proposed increase on taxpayers.
- (4) The anticipated property tax rates and levies for property taxes first due and payable in the year after the expiration of IC 20-45-8.

After the governing body of the school corporation approves the petition, the school corporation shall immediately notify the other civil taxing units and school corporations in the county that are located in a taxing district where the school corporation is also located.

(d) If the superintendent of a school corporation submits a petition under subsection (b), the department of local government finance shall increase the school corporation's maximum permissible ad valorem property tax levy under IC 20-46-8-1 for the operations fund for property taxes first due and payable in the year after the expiration of IC 20-45-8 by the amount of the distribution that the school corporation received in the year immediately preceding the expiration of IC 20-45-8, as determined by the department of local government finance.

(e) The school corporation's maximum permissible ad valorem property tax levy for property taxes first due and payable in the year after the expiration of IC 20-45-8, as adjusted under this section, shall be used in the determination of the school corporation's maximum permissible ad valorem property tax levy under IC 6-1.1-18.5 for property taxes first due and payable in the



year following the year after the expiration of IC 20-45-8 and thereafter."

Page 25, delete lines 1 through 13.

Page 25, between lines 41 and 42, begin a new paragraph and insert:

"SECTION 18. IC 6-1.1-18.5-21, AS AMENDED BY P.L.182-2009(ss), SECTION 138, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 21. **(a)** A civil taxing unit may determine that the ad valorem property tax levy limits imposed by section 3 of this chapter do not apply to all or part of the ad valorem property taxes imposed to repay a loan under either or both of the following:

(1) IC 6-1.1-21.3.

(2) IC 6-1.1-21.9.

(b) This subsection applies to a civil taxing unit or school corporation located in Lake County that has received or is receiving a loan under IC 6-1.1-22.1. The ad valorem property tax levy limits imposed in section 3 of this chapter do not apply to all or part of the ad valorem property taxes imposed to repay a loan under IC 6-1.1-22.1 for the ensuing calendar year if:

(1) the civil taxing unit or school corporation provides to the department the information the department considers necessary to determine the amount of ad valorem property taxes imposed to repay the loan in the ensuing calendar year; and

(2) the information described in subdivision (1) is provided to the department not later than December 1 of the year preceding the ensuing calendar year.

SECTION 19. IC 6-1.1-18.5-25, AS AMENDED BY P.L.159-2020, SECTION 39, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 25. (a) The ad valorem property tax levy limits imposed under section 3 of this chapter do not apply to a municipality in a year if all the following apply:

(1) The percentage growth in the municipality's assessed value for the preceding year compared to the year before the preceding year is at least two (2) times the maximum levy growth quotient determined under section 2 of this chapter for the preceding year.

(2) The municipality's population increased by at least one hundred fifty percent (150%) between the last two (2) decennial censuses. **The computation of an increase of one hundred fifty percent (150%) under this subdivision shall be determined according to the last STEP of the following STEPS:**

STEP ONE: Determine the municipality's population as



tabulated following the first decennial census.

STEP TWO: Determine municipality's population as tabulated following the second decennial census.

STEP THREE: Multiply the amount determined under STEP ONE by a factor of two and five-tenths (2.5).

STEP FOUR: Determine whether the population determined under STEP TWO is greater than or equal to the STEP THREE product.

(b) A municipality that meets all the requirements under subsection (a) may increase its ad valorem property tax levy in excess of the limits imposed under section 3 of this chapter by a percentage equal to the lesser of:

- (1) the percentage growth in the municipality's assessed value for the preceding year compared to the year before the preceding year; or
- (2) six percent (6%).

(c) A municipality's maximum levy growth that results from either annexation or the pass through of assessed value from a tax increment financing district may not be included for the purposes of determining a municipality's maximum levy growth under this section.

(d) This section applies to property tax levies imposed after December 31, 2016.

SECTION 20. IC 6-1.1-18.5-28, AS ADDED BY P.L.174-2022, SECTION 38, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 28. (a) This section applies only to the Sugar Creek Township Fire Protection District in Vigo County.

(b) Subject to subsection (c), the executive of a district described in subsection (a) may, after approval by the fiscal body of the district, and before August 1, ~~2022~~, **2023**, submit a petition to the department of local government finance requesting an increase in the district's maximum permissible ad valorem property tax levy for property taxes first due and payable in ~~2023~~. **2024**.

(c) Before the fiscal body of the district may approve a petition under subsection (b), the fiscal body of the district shall hold a public hearing on the petition. The fiscal body shall give notice of the public hearing under IC 5-3-1. At the public hearing, the fiscal body shall make available to the public the following:

- (1) A fiscal plan describing the need for the increase to the levy and the expenditures for which the revenue generated from the increase to the levy will be used.
- (2) A statement that the proposed increase will be a permanent increase to the district's maximum permissible ad valorem



property tax levy.

(3) The estimated effect of the proposed increase on taxpayers. After the fiscal body approves the petition, the district shall immediately notify the other civil taxing units and school corporations in the county that are located in a taxing district where the district is also located.

(d) If the executive of the district submits a petition under subsection (b), the department of local government finance shall increase the maximum permissible ad valorem property tax levy for property taxes first due and payable in ~~2023~~ **2024** by not more than one hundred ~~fifty~~ thousand dollars (~~\$100,000~~): **(\$150,000)**.

(e) The district's maximum permissible ad valorem property tax levy for property taxes first due and payable in ~~2023~~, **2024**, as adjusted under this section, shall be used in the determination of the district's maximum permissible ad valorem property tax levy under IC 6-1.1-18.5 for property taxed first due and payable in ~~2024~~ **2025** and thereafter.

(f) This section expires June 30, ~~2026~~: **2028**.

SECTION 21. IC 6-1.1-18.5-29, AS ADDED BY P.L.174-2022, SECTION 39, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 29. (a) This section applies only to the Otter Creek Township in Vigo County.

(b) Subject to subsection (c), the executive of a township described in subsection (a) may, after approval by the fiscal body of the township, and before August 1, ~~2022~~, **2023**, submit a petition to the department of local government finance requesting an increase in the township's maximum permissible ad valorem property tax levy for property taxes first due and payable in ~~2023~~: **2024**.

(c) Before the fiscal body of the township may approve a petition under subsection (b), the fiscal body of the township shall hold a public hearing on the petition. The fiscal body shall give notice of the public hearing under IC 5-3-1. At the public hearing, the fiscal body shall make available to the public the following:

(1) A fiscal plan describing the need for the increase to the levy and the expenditures for which the revenue generated from the increase to the levy will be used.

(2) A statement that the proposed increase will be a permanent increase to the township's maximum permissible ad valorem property tax levy.

(3) The estimated effect of the proposed increase on taxpayers. After the fiscal body approves the petition, the township shall immediately notify the other civil taxing units and school corporations



in the county that are located in a taxing district where the township is also located.

(d) If the executive of the township submits a petition under subsection (b), the department of local government finance shall increase the maximum permissible ad valorem property tax levy for property taxes first due and payable in 2023 by not more than ~~seventy-five~~ **one hundred** thousand dollars (~~\$75,000~~): **(\$100,000)**.

(e) The township's maximum permissible ad valorem property tax levy for property taxes first due and payable in ~~2023~~, **2024**, as adjusted under this section, shall be used in the determination of the township's maximum permissible ad valorem property tax levy under IC 6-1.1-18.5 for property taxes first due and payable in ~~2024~~ **2025** and thereafter.

(f) This section expires June 30, ~~2026~~: **2028**.

SECTION 22. IC 6-1.1-20-1.1, AS AMENDED BY P.L.32-2021, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 1.1. As used in this chapter, "controlled project" means any project financed by bonds or a lease, except for the following:

(1) A project for which the political subdivision reasonably expects to pay:

- (A) debt service; or
- (B) lease rentals;

from funds other than property taxes that are exempt from the levy limitations of IC 6-1.1-18.5 or (before January 1, 2009) IC 20-45-3. A project is not a controlled project even though the political subdivision has pledged to levy property taxes to pay the debt service or lease rentals if those other funds are insufficient.

(2) A project that will not cost the political subdivision more than the lesser of the following:

(A) An amount equal to the following:

- (i) In the case of an ordinance or resolution adopted before January 1, 2018, making a preliminary determination to issue bonds or enter into a lease for the project, two million dollars (\$2,000,000).
- (ii) In the case of an ordinance or resolution adopted after December 31, 2017, and before January 1, 2019, making a preliminary determination to issue bonds or enter into a lease for the project, five million dollars (\$5,000,000).
- (iii) In the case of an ordinance or resolution adopted in a calendar year after December 31, 2018, making a preliminary determination to issue bonds or enter into a



lease for the project, an amount (as determined by the department of local government finance) equal to the result of the maximum levy growth quotient determined under IC 6-1.1-18.5-2 for the year multiplied by the amount determined under this clause for the preceding calendar year.

The department of local government finance shall publish the threshold determined under item (iii) in the Indiana Register under IC 4-22-7-7 not more than sixty (60) days after the date the budget agency releases the maximum levy growth quotient for the ensuing year under IC 6-1.1-18.5-2.

(B) An amount equal to the following:

- (i) One percent (1%) of the total gross assessed value of property within the political subdivision on the last assessment date, if that total gross assessed value is more than one hundred million dollars (\$100,000,000).
- (ii) One million dollars (\$1,000,000), if the total gross assessed value of property within the political subdivision on the last assessment date is not more than one hundred million dollars (\$100,000,000).

(3) A project that is being refinanced for the purpose of providing gross or net present value savings to taxpayers.

(4) A project for which bonds were issued or leases were entered into before January 1, 1996, or where the state board of tax commissioners has approved the issuance of bonds or the execution of leases before January 1, 1996.

(5) A project that:

(A) is required by a court order holding that a federal law mandates the project; **or**

(B) is in response to a court order holding that:

- (i) a federal law has been violated; and**
- (ii) the project is to address the deficiency or violation.**

(6) A project that is in response to:

- (A) a natural disaster;
- (B) an accident; or
- (C) an emergency;

in the political subdivision that makes a building or facility unavailable for its intended use.

(7) A project that was not a controlled project under this section as in effect on June 30, 2008, and for which:

- (A) the bonds or lease for the project were issued or entered into before July 1, 2008; or



(B) the issuance of the bonds or the execution of the lease for the project was approved by the department of local government finance before July 1, 2008.

(8) A project of the Little Calumet River basin development commission for which bonds are payable from special assessments collected under IC 14-13-2-18.6.

(9) A project for engineering, land and right-of-way acquisition, construction, resurfacing, maintenance, restoration, and rehabilitation exclusively for or of:

(A) local road and street systems, including bridges that are designated as being in a local road and street system;

(B) arterial road and street systems, including bridges that are designated as being in an arterial road and street system; or

(C) any combination of local and arterial road and street systems, including designated bridges.

SECTION 23. IC 6-1.1-20.6-1.3 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2023 (RETROACTIVE)]: **Sec. 1.3. As used in this chapter, "controlled environment agriculture property" means land and improvements of an agricultural greenhouse that is used to produce fresh vegetables, fruits, or other agricultural produce grown indoors under climate-controlled conditions, year-round, and for commercial purposes.**

SECTION 24. IC 6-1.1-20.6-1.7 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2023 (RETROACTIVE)]: **Sec. 1.7. As used in this chapter, "health care property" means property that is:**

(1) a hospital licensed under IC 16-21; or

(2) long term care property.

SECTION 25. IC 6-1.1-20.6-7.5, AS AMENDED BY P.L.205-2013, SECTION 77, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2023 (RETROACTIVE)]: **Sec. 7.5. (a) A person is entitled to a credit against the person's property tax liability for property taxes first due and payable after 2009. The amount of the credit is the amount by which the person's property tax liability attributable to the person's:**

(1) homestead exceeds one percent (1%);

(2) residential property exceeds two percent (2%);

(3) ~~long term~~ health care property exceeds two percent (2%);

(4) agricultural land exceeds two percent (2%);

(5) controlled environment agriculture property exceeds two



percent (2%);

~~(5)~~ (6) nonresidential real property exceeds three percent (3%); or

~~(6)~~ (7) personal property exceeds three percent (3%);

of the gross assessed value of the property that is the basis for determination of property taxes for that calendar year.

(b) This subsection applies to property taxes first due and payable after 2009. Property taxes imposed after being approved by the voters in a referendum or local public question shall not be considered for purposes of calculating a person's credit under this section.

(c) This subsection applies to property taxes first due and payable after 2009. As used in this subsection, "eligible county" means only a county for which the general assembly determines in 2008 that limits to property tax liability under this chapter are expected to reduce in 2010 the aggregate property tax revenue that would otherwise be collected by all units of local government and school corporations in the county by at least twenty percent (20%). Property taxes imposed in an eligible county:

(1) to pay debt service:

(A) on bonds issued before July 1, 2008; or

(B) on bonds that:

(i) are issued to refund bonds originally issued before July 1, 2008; and

(ii) have a maturity date that is not later than the maturity date of the bonds refunded;

(2) to make lease payments on leases entered into before July 1, 2008, to secure bonds;

(3) to make lease payments on leases:

(A) that are amended to refund bonds secured by leases entered into before July 1, 2008; and

(B) that have a term that is not longer than the term of the leases amended; or

(4) to make lease payments on leases:

(A) that secure bonds:

(i) issued to refund bonds originally issued before July 1, 2008; and

(ii) that have a maturity date that is not later than the maturity date of the bonds refunded; and

(B) that have a term that ends not later than the maturity date of the bonds refunded;

shall not be considered for purposes of calculating a person's credit under this section.

SECTION 26. IC 6-1.1-20.6-9.9, AS AMENDED BY P.L.238-2019,

EH 1454—LS 7062/DI 134



SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 9.9. (a) **This subsection applies to credits allocated before January 1, 2024.** If:

(1) a school corporation after July 1, 2016, issues new bonds or enters into a new lease rental agreement for which the school corporation is imposing or will impose a debt service levy other than:

(A) to refinance or renew prior bond or lease rental obligations existing before January 1, 2017; or

(B) indebtedness that is approved in a local public question or referendum under IC 6-1.1-20 or any other law; and

(2) the school corporation's:

(A) total debt service levy is greater than the school corporation's total debt service levy in 2016; and

(B) total debt service tax rate is greater than the school corporation's total debt service tax rate in 2016;

the school corporation is not eligible to allocate credits proportionately under this section.

(b) This subsection applies to credits allocated after December 31, 2023. A school corporation is not eligible to allocate credits proportionately under this section, if a school corporation after July 1, 2023, issues new bonds or enters into a new lease rental agreement for which the school corporation is imposing or will impose a debt service levy other than:

(1) to refinance or renew prior bond or lease rental obligations existing before January 1, 2024, but only if the refinancing or renewal is for a lower interest rate; or

(2) indebtedness that is approved in a local public question or referendum under IC 6-1.1-20 or any other law.

(c) Subject to subsection (a) (before January 1, 2024) and subsection (b) (after December 31, 2023), a school corporation is eligible to allocate credits proportionately under this section for 2019, 2020, 2021, 2022, ~~or~~ 2023, **2024, 2025, or 2026** if the school corporation's percentage computed under this subsection is at least ten percent (10%) for its operations fund levy as certified by the department of local government finance. A school corporation shall compute its percentage under this subsection as determined under the following formula:

STEP ONE: Determine the amount of credits granted under this chapter against the school corporation's levy for the school corporation's operations fund.

STEP TWO: Determine the amount of the school corporation's



levy that is attributable to new debt incurred after June 30, 2019, but is not attributable to the debt service levy described in subsection (a)(1)(B) **(before January 1, 2024) or subsection (b)(2) (after December 31, 2023).**

STEP THREE: Determine the result of the school corporation's total levy minus any referendum levy.

STEP FOUR: Subtract the STEP TWO amount from the STEP THREE amount.

STEP FIVE: Divide the STEP FOUR amount by the STEP THREE amount expressed as a percentage.

STEP SIX: Multiply the STEP ONE amount by the STEP FIVE percentage.

STEP SEVEN: Determine the school corporation's levy for the school corporation's operations fund.

STEP EIGHT: Divide the STEP SIX amount by the STEP SEVEN amount expressed as a percentage.

The computation must be made by taking into account the requirements of section 9.8 of this chapter regarding protected taxes and the impact of credits granted under this chapter on the revenue to be distributed to the school corporation's operations fund for the particular year.

~~(c)~~ **(d)** A school corporation that desires to be an eligible school corporation under this section must, before May 1 of the year for which it wants a determination, submit a written request for a certification by the department of local government finance that the computation of the school corporation's percentage under subsection ~~(b)~~ **(c)** is correct. The department of local government finance shall, not later than June 1 of that year, determine whether the percentage computed by the school corporation under subsection ~~(b)~~ **(c)** is accurate and certify whether the school corporation is eligible under this section.

~~(d)~~ **(e)** For a school corporation that is certified as eligible under this section, the school corporation may allocate the effect of the credits granted under this chapter proportionately among all the school corporation's property tax funds that are not exempt under section 7.5(b) or 7.5(c) of this chapter, based on the levy for each fund and without taking into account the requirements of section 9.8 of this chapter regarding protected taxes as determined under the following formula:

STEP ONE: Determine the product of:

- (A) the percentage determined under STEP EIGHT of subsection ~~(b)~~ **(c)**; multiplied by
- (B) five (5).

STEP TWO: Determine the lesser of the STEP ONE percentage



or one hundred percent (100%).

STEP THREE: Determine the product of:

- (A) the amount determined under STEP SIX of subsection ~~(b)~~; ~~(c)~~; multiplied by
- (B) the STEP TWO percentage.

The school corporation may allocate the amount of credits determined under STEP THREE proportionately under this section. The department of local government finance shall include in its certification of an eligible school corporation under subsection ~~(c)~~ **(d)** the amount of credits that the school corporation may allocate proportionately as determined under this subsection.

~~(c)~~ **(f)** This section expires January 1, ~~2024~~; **2027**.

SECTION 27. IC 6-1.1-21.3-3, AS ADDED BY P.L.182-2009(ss), SECTION 156, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 3. (a) The board, after review by the budget committee, shall determine the terms of a loan made under this chapter, subject to the following:

- (1) The loan must be repaid not later than ten (10) years after the date on which the loan is made.
- (2) The terms of the loan must allow for prepayment of the loan without penalty.
- (3) The maximum amount of the loan that a qualified taxing unit may receive with respect to a default described in section 1(c)(3) of this chapter on one (1) or more payments of property taxes first due and payable in a calendar year is the amount, as determined by the board, of revenue shortfall for the qualified taxing unit that results from the default for that calendar year.

(b) The board may disburse in installments the proceeds of a loan made under this chapter.

(c) A qualified taxing unit may repay a loan made under this chapter from any of the following:

- (1) Property tax revenues of the qualified taxing unit that are subject to the levy limitations imposed by IC 6-1.1-18.5.
- (2) Property tax revenues of the qualified taxing unit that are not subject to levy limitations as provided in ~~IC 6-1.1-18.5-21~~; **IC 6-1.1-18.5-21(a)**.
- (3) The qualified taxing unit's debt service fund.
- (4) Any other source of revenues (other than property taxes) that is legally available to the qualified taxing unit.

The payment of any installment on a loan made under this chapter constitutes a first charge against the property tax revenues described in subdivision (1) or (2) that are collected by the qualified taxing unit



during the calendar year the installment is due and payable.

(d) The obligation to repay a loan made under this chapter is not a basis for the qualified taxing unit to obtain an excessive tax levy under IC 6-1.1-18.5 or IC 20-44-3.

(e) Whenever the board receives a payment on a loan made under this chapter, the board shall deposit the amount paid in the counter-cyclical revenue and economic stabilization fund.

SECTION 28. IC 6-1.1-21.9-3, AS AMENDED BY P.L.1-2009, SECTION 45, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 3. (a) The board, not later than December 31, 2009, and after review by the budget committee, shall determine the terms of a loan made under this chapter, subject to the following:

- (1) The board may not charge interest on the loan.
- (2) The loan must be repaid not later than ten (10) years after the date on which the loan was made.
- (3) The terms of the loan must allow for prepayment of the loan without penalty.
- (4) The maximum amount of the loan that a qualifying taxing unit may receive with respect to a default described in section 1(c)(3) of this chapter on one (1) or more payments of property taxes first due and payable in a calendar year is the amount, as determined by the board, of revenue shortfall for the qualifying taxing unit that results from the default for that calendar year.
- (5) The total amount of all loans under this chapter for all calendar years may not exceed thirteen million dollars (\$13,000,000).

(b) The board may disburse in installments the proceeds of a loan made under this chapter.

(c) A qualified taxing unit may repay a loan made under this chapter from any of the following:

- (1) Property tax revenues of the qualified taxing unit that are subject to the levy limitations imposed by IC 6-1.1-18.5 or (before January 1, 2009) IC 6-1.1-19.
- (2) Property tax revenues of the qualified taxing unit that are not subject to levy limitations as provided in ~~IC 6-1.1-18.5-21~~ **IC 6-1.1-18.5-21(a)** or (before January 1, 2009) IC 6-1.1-19-13.
- (3) The qualified taxing unit's debt service fund.
- (4) Any other source of revenues (other than property taxes) that is legally available to the qualified taxing unit.

The payment of any installment on a loan made under this chapter constitutes a first charge against the property tax revenues described in subdivision (1) or (2) that are collected by the qualified taxing unit



during the calendar year the installment is due and payable.

(d) The obligation to repay a loan made under this chapter is not a basis for the qualified taxing unit to obtain an excessive tax levy under IC 6-1.1-18.5 or (before January 1, 2009) IC 6-1.1-19.

(e) Whenever the board receives a payment on a loan made under this chapter, the board shall deposit the amount paid in the counter-cyclical revenue and economic stabilization fund.

SECTION 29. IC 6-1.1-22.1 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]:

Chapter 22.1. Loans to Qualified Taxing Units in Lake County

Sec. 1. As used in this chapter, "board" refers to the state board of finance.

Sec. 2. As used in this chapter, "qualified taxing unit" means a city, township, or school corporation located in Lake County that experienced a property tax revenue shortfall in one (1) or more tax years:

(1) that resulted from erroneous assessed valuation figures being provided to the city, township, or school corporation; and

(2) for which the aggregate property tax revenue shortfall the city, township, or school corporation experienced, or will experience, is at least:

(A) five million dollars (\$5,000,000); or

(B) twenty percent (20%) of its net tax levy;

in any single tax year as a result of the erroneous assessed valuation figures referred to in subdivision (1).

Sec. 3. A qualified taxing unit, subject to the approval of the fiscal body of the qualified taxing unit, may apply to the treasurer of state for a loan from the counter-cyclical revenue and economic stabilization fund.

Sec. 4. Subject to this chapter, the treasurer of state, after review by the budget committee, shall determine the terms of any loan made under this chapter.

Sec. 5. The treasurer of state may:

(1) impose interest on a loan under this chapter at a rate determined by the treasurer of state; or

(2) determine that no interest is required to be charged on a loan under this chapter.

Sec. 6. (a) The total amount of all loans under this chapter for all calendar years may not exceed the total amount of property tax revenue shortfall for all qualified taxing units that resulted from



erroneous assessed valuation amounts being provided to the qualified taxing units, as determined by the treasurer of state.

(b) The amount of loans provided under this chapter to a qualified taxing unit may not exceed the remainder of:

- (1) two percent (2%) of the true tax value of property in the qualified taxing unit as of the date of the loan; minus
- (2) the amount of any loans previously received by the qualified taxing unit under this chapter, together with the amount of any other indebtedness of the qualified taxing unit regardless of the nature of the indebtedness, other than items payable out of current expenses.

(c) The qualified taxing unit may use the proceeds of a loan under this chapter to refund any bonds of the qualified taxing unit previously issued to offset the qualified taxing unit's property tax revenue shortfall.

Sec. 7. If a qualified taxing unit receives a loan under this chapter, the qualified taxing unit must repay the loan within twenty-five (25) years after the date on which the loan is made. No penalty may be imposed for repaying a loan under this chapter before the term of the loan expires.

Sec. 8. The treasurer of state may disburse in installments the proceeds of a loan made under this chapter.

Sec. 9. A qualified taxing unit may repay a loan under this chapter from any source or sources of revenue.

Sec. 10. An obligation to repay a loan made under this chapter is not a basis for the qualified taxing unit to obtain an excessive tax levy.

Sec. 11. When the treasurer of state receives a payment with respect to a loan under this chapter, the state treasurer shall deposit the amount received in the counter-cyclical revenue and economic stabilization fund.

Sec. 12. The proceeds of a loan under this chapter received by an eligible taxing unit are not considered to be part of the ad valorem property tax levy actually collected by the qualified taxing unit for taxes first due and payable during a particular calendar year for the purpose of calculating levy excess.

Sec. 13. Notes associated with loans under this chapter, and the authorization, issuance, sale, and delivery of the notes, are not subject to any general statute concerning obligations issued by the local governmental entity borrower. This chapter contains full and complete authority for the making of a loan under this chapter, the authorization, issuance, sale, and delivery of a note associated with



a loan made under this chapter, and repayment of the loan by the borrower. No law, procedure, proceeding, publication, notice, consent, approval, order, or act by any officer, department, agency, or instrument of the state, or of any political subdivision, is required to make a loan under this chapter, issue a note associated with a loan under this chapter, or repay a loan, except as prescribed under this chapter.

Sec. 14. Upon the failure of a qualified taxing unit to make any of the qualified taxing unit's payments on a loan granted under this chapter when due, the treasurer of state, upon being notified of the failure by the board, may pay the unpaid amount that is due from the funds held by the state that would otherwise be distributable to the qualified taxing unit.

Sec. 15. A loan under this chapter is not bonded indebtedness for purposes of IC 6-1.1-18.5 or IC 6-1.1-20."

Page 34, delete lines 20 through 34.

Page 38, between lines 9 and 10, begin a new paragraph and insert:

"SECTION 32. IC 6-1.1-39-1, AS AMENDED BY P.L.95-2022, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2023 (RETROACTIVE)]: Sec. 1. (a) This chapter applies to all counties, cities, and towns (referred to in this chapter as units).

(b) Notwithstanding any other law: ~~for economic development districts established:~~

(1) **for economic development districts established** after January 1, 1992, this chapter does not apply to fire protection districts established under IC 36-8-11; and

(2) ~~after December 31, 2021~~, this chapter does not apply to the part of a participating unit's proceeds of property taxes imposed for an assessment date with respect to which the allocation and distribution is made that are attributable to property taxes imposed to meet the participating unit's obligations to a fire protection territory established under IC 36-8-19 **after December 31, 2022.**

SECTION 33. IC 6-3-1-3.5, AS AMENDED BY P.L.1-2023, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2022 (RETROACTIVE)]: Sec. 3.5. When used in this article, the term "adjusted gross income" shall mean the following:

(a) In the case of all individuals, "adjusted gross income" (as defined in Section 62 of the Internal Revenue Code), modified as follows:

(1) Subtract income that is exempt from taxation under this article



by the Constitution and statutes of the United States.

(2) Except as provided in subsection (c), add an amount equal to any deduction or deductions allowed or allowable pursuant to Section 62 of the Internal Revenue Code for taxes based on or measured by income and levied at the state level by any state of the United States.

(3) Subtract one thousand dollars (\$1,000), or in the case of a joint return filed by a husband and wife, subtract for each spouse one thousand dollars (\$1,000).

(4) Subtract one thousand dollars (\$1,000) for:

(A) each of the exemptions provided by Section 151(c) of the Internal Revenue Code (as effective January 1, 2017);

(B) each additional amount allowable under Section 63(f) of the Internal Revenue Code; and

(C) the spouse of the taxpayer if a separate return is made by the taxpayer and if the spouse, for the calendar year in which the taxable year of the taxpayer begins, has no gross income and is not the dependent of another taxpayer.

(5) Subtract:

(A) One thousand five hundred dollars (\$1,500) for each of the exemptions allowed under Section 151(c)(1)(B) of the Internal Revenue Code (as effective January 1, 2004).

(B) One thousand five hundred dollars (\$1,500) for each exemption allowed under Section 151(c) of the Internal Revenue Code (as effective January 1, 2017) for an individual:

(i) who is less than nineteen (19) years of age or is a full-time student who is less than twenty-four (24) years of age;

(ii) for whom the taxpayer is the legal guardian; and

(iii) for whom the taxpayer does not claim an exemption under clause (A).

(C) Five hundred dollars (\$500) for each additional amount allowable under Section 63(f)(1) of the Internal Revenue Code if the federal adjusted gross income of the taxpayer, or the taxpayer and the taxpayer's spouse in the case of a joint return, is less than forty thousand dollars (\$40,000). In the case of a married individual filing a separate return, the qualifying income amount in this clause is equal to twenty thousand dollars (\$20,000).

(D) Three thousand dollars (\$3,000) for each exemption allowed under Section 151(c) of the Internal Revenue Code (as effective January 1, 2017) for an individual who is:



- (i) an adopted child of the taxpayer; and
- (ii) less than nineteen (19) years of age or is a full-time student who is less than twenty-four (24) years of age.

This amount is in addition to any amount subtracted under clause (A) or (B).

This amount is in addition to the amount subtracted under subdivision (4).

(6) Subtract any amounts included in federal adjusted gross income under Section 111 of the Internal Revenue Code as a recovery of items previously deducted as an itemized deduction from adjusted gross income.

(7) Subtract any amounts included in federal adjusted gross income under the Internal Revenue Code which amounts were received by the individual as supplemental railroad retirement annuities under 45 U.S.C. 231 and which are not deductible under subdivision (1).

(8) Subtract an amount equal to the amount of federal Social Security and Railroad Retirement benefits included in a taxpayer's federal gross income by Section 86 of the Internal Revenue Code.

(9) In the case of a nonresident taxpayer or a resident taxpayer residing in Indiana for a period of less than the taxpayer's entire taxable year, the total amount of the deductions allowed pursuant to subdivisions (3), (4), and (5) shall be reduced to an amount which bears the same ratio to the total as the taxpayer's income taxable in Indiana bears to the taxpayer's total income.

(10) In the case of an individual who is a recipient of assistance under IC 12-10-6-1, IC 12-10-6-2.1, IC 12-15-2-2, or IC 12-15-7, subtract an amount equal to that portion of the individual's adjusted gross income with respect to which the individual is not allowed under federal law to retain an amount to pay state and local income taxes.

(11) In the case of an eligible individual, subtract the amount of a Holocaust victim's settlement payment included in the individual's federal adjusted gross income.

(12) Subtract an amount equal to the portion of any premiums paid during the taxable year by the taxpayer for a qualified long term care policy (as defined in IC 12-15-39.6-5) for the taxpayer or the taxpayer's spouse if the taxpayer and the taxpayer's spouse file a joint income tax return or the taxpayer is otherwise entitled to a deduction under this subdivision for the taxpayer's spouse, or both.

(13) Subtract an amount equal to the lesser of:



(A) two thousand five hundred dollars (\$2,500), or one thousand two hundred fifty dollars (\$1,250) in the case of a married individual filing a separate return; or

(B) the amount of property taxes that are paid during the taxable year in Indiana by the individual on the individual's principal place of residence.

(14) Subtract an amount equal to the amount of a September 11 terrorist attack settlement payment included in the individual's federal adjusted gross income.

(15) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that owns property for which bonus depreciation was allowed in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election not been made under Section 168(k) of the Internal Revenue Code to apply bonus depreciation to the property in the year that it was placed in service.

(16) Add an amount equal to any deduction allowed under Section 172 of the Internal Revenue Code (concerning net operating losses).

(17) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that placed Section 179 property (as defined in Section 179 of the Internal Revenue Code) in service in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election for federal income tax purposes not been made for the year in which the property was placed in service to take deductions under Section 179 of the Internal Revenue Code in a total amount exceeding the sum of:

(A) twenty-five thousand dollars (\$25,000) to the extent deductions under Section 179 of the Internal Revenue Code were not elected as provided in clause (B); and

(B) for taxable years beginning after December 31, 2017, the deductions elected under Section 179 of the Internal Revenue Code on property acquired in an exchange if:

(i) the exchange would have been eligible for nonrecognition of gain or loss under Section 1031 of the Internal Revenue Code in effect on January 1, 2017;

(ii) the exchange is not eligible for nonrecognition of gain or loss under Section 1031 of the Internal Revenue Code; and

(iii) the taxpayer made an election to take deductions under Section 179 of the Internal Revenue Code with regard to the



acquired property in the year that the property was placed into service.

The amount of deductions allowable for an item of property under this clause may not exceed the amount of adjusted gross income realized on the property that would have been deferred under the Internal Revenue Code in effect on January 1, 2017.

(18) Subtract an amount equal to the amount of the taxpayer's qualified military income that was not excluded from the taxpayer's gross income for federal income tax purposes under Section 112 of the Internal Revenue Code.

(19) Subtract income that is:

(A) exempt from taxation under IC 6-3-2-21.7 (certain income derived from patents); and

(B) included in the individual's federal adjusted gross income under the Internal Revenue Code.

(20) Add an amount equal to any income not included in gross income as a result of the deferral of income arising from business indebtedness discharged in connection with the reacquisition after December 31, 2008, and before January 1, 2011, of an applicable debt instrument, as provided in Section 108(i) of the Internal Revenue Code. Subtract the amount necessary from the adjusted gross income of any taxpayer that added an amount to adjusted gross income in a previous year to offset the amount included in federal gross income as a result of the deferral of income arising from business indebtedness discharged in connection with the reacquisition after December 31, 2008, and before January 1, 2011, of an applicable debt instrument, as provided in Section 108(i) of the Internal Revenue Code.

(21) Add the amount excluded from federal gross income under Section 103 of the Internal Revenue Code for interest received on an obligation of a state other than Indiana, or a political subdivision of such a state, that is acquired by the taxpayer after December 31, 2011.

(22) Subtract an amount as described in Section 1341(a)(2) of the Internal Revenue Code to the extent, if any, that the amount was previously included in the taxpayer's adjusted gross income for a prior taxable year.

(23) For taxable years beginning after December 25, 2016, add an amount equal to the deduction for deferred foreign income that was claimed by the taxpayer for the taxable year under Section 965(c) of the Internal Revenue Code.

(24) Subtract any interest expense paid or accrued in the current



taxable year but not deducted as a result of the limitation imposed under Section 163(j)(1) of the Internal Revenue Code. Add any interest expense paid or accrued in a previous taxable year but allowed as a deduction under Section 163 of the Internal Revenue Code in the current taxable year. For purposes of this subdivision, an interest expense is considered paid or accrued only in the first taxable year the deduction would have been allowable under Section 163 of the Internal Revenue Code if the limitation under Section 163(j)(1) of the Internal Revenue Code did not exist.

(25) Subtract the amount that would have been excluded from gross income but for the enactment of Section 118(b)(2) of the Internal Revenue Code for taxable years ending after December 22, 2017.

(26) For taxable years beginning after December 31, 2019, and before January 1, 2021, add an amount of the deduction claimed under Section 62(a)(22) of the Internal Revenue Code.

(27) For taxable years beginning after December 31, 2019, for payments made by an employer under an education assistance program after March 27, 2020:

(A) add the amount of payments by an employer that are excluded from the taxpayer's federal gross income under Section 127(c)(1)(B) of the Internal Revenue Code; and

(B) deduct the interest allowable under Section 221 of the Internal Revenue Code, if the disallowance under Section 221(e)(1) of the Internal Revenue Code did not apply to the payments described in clause (A). For purposes of applying Section 221(b) of the Internal Revenue Code to the amount allowable under this clause, the amount under clause (A) shall not be added to adjusted gross income.

(28) Add an amount equal to the remainder of:

(A) the amount allowable as a deduction under Section 274(n) of the Internal Revenue Code; minus

(B) the amount otherwise allowable as a deduction under Section 274(n) of the Internal Revenue Code, if Section 274(n)(2)(D) of the Internal Revenue Code was not in effect for amounts paid or incurred after December 31, 2020.

(29) For taxable years beginning after December 31, 2017, and before January 1, 2021, add an amount equal to the excess business loss of the taxpayer as defined in Section 461(l)(3) of the Internal Revenue Code. In addition:

(A) If a taxpayer has an excess business loss under this subdivision and also has modifications under subdivisions (15)



and (17) for property placed in service during the taxable year, the taxpayer shall treat a portion of the taxable year modifications for that property as occurring in the taxable year the property is placed in service and a portion of the modifications as occurring in the immediately following taxable year.

(B) The portion of the modifications under subdivisions (15) and (17) for property placed in service during the taxable year treated as occurring in the taxable year in which the property is placed in service equals:

- (i) the modification for the property otherwise determined under this section; minus
- (ii) the excess business loss disallowed under this subdivision;

but not less than zero (0).

(C) The portion of the modifications under subdivisions (15) and (17) for property placed in service during the taxable year treated as occurring in the taxable year immediately following the taxable year in which the property is placed in service equals the modification for the property otherwise determined under this section minus the amount in clause (B).

(D) Any reallocation of modifications between taxable years under clauses (B) and (C) shall be first allocated to the modification under subdivision (15), then to the modification under subdivision (17).

(30) Add an amount equal to the amount excluded from federal gross income under Section 108(f)(5) of the Internal Revenue Code. For purposes of this subdivision:

- (A) if an amount excluded under Section 108(f)(5) of the Internal Revenue Code would be excludible under Section 108(a)(1)(B) of the Internal Revenue Code, the exclusion under Section 108(a)(1)(B) of the Internal Revenue Code shall take precedence; and
- (B) if an amount would have been excludible under Section 108(f)(5) of the Internal Revenue Code as in effect on January 1, 2020, the amount is not required to be added back under this subdivision.

(31) For taxable years ending after March 12, 2020, subtract an amount equal to the deduction disallowed pursuant to:

- (A) Section 2301(e) of the CARES Act (Public Law 116-136), as modified by Sections 206 and 207 of the Taxpayer Certainty and Disaster Relief Tax Act (Division EE of Public Law



116-260); and

(B) Section 3134(e) of the Internal Revenue Code.

(32) Subtract the amount of an annual grant amount distributed to a taxpayer's Indiana education scholarship account under IC 20-51.4-4-2 that is used for a qualified expense (as defined in IC 20-51.4-2-9) or to an Indiana enrichment scholarship account under IC 20-52 that is used for qualified expenses (as defined in IC 20-52-2-6), to the extent the distribution used for the qualified expense is included in the taxpayer's federal adjusted gross income under the Internal Revenue Code.

(33) For taxable years beginning after December 31, 2019, and before January 1, 2021, add an amount equal to the amount of unemployment compensation excluded from federal gross income under Section 85(c) of the Internal Revenue Code.

(34) For taxable years beginning after December 31, 2022, subtract an amount equal to the deduction disallowed under Section 280C(h) of the Internal Revenue Code.

(35) Subtract any other amounts the taxpayer is entitled to deduct under IC 6-3-2.

(b) In the case of corporations, the same as "taxable income" (as defined in Section 63 of the Internal Revenue Code) adjusted as follows:

(1) Subtract income that is exempt from taxation under this article by the Constitution and statutes of the United States.

(2) Add an amount equal to any deduction or deductions allowed or allowable pursuant to Section 170 of the Internal Revenue Code (concerning charitable contributions).

(3) Except as provided in subsection (c), add an amount equal to any deduction or deductions allowed or allowable pursuant to Section 63 of the Internal Revenue Code for taxes based on or measured by income and levied at the state level by any state of the United States.

(4) Subtract an amount equal to the amount included in the corporation's taxable income under Section 78 of the Internal Revenue Code (concerning foreign tax credits).

(5) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that owns property for which bonus depreciation was allowed in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election not been made under Section 168(k) of the Internal Revenue Code to apply bonus depreciation to the property in the year that it was placed in



service.

(6) Add an amount equal to any deduction allowed under Section 172 of the Internal Revenue Code (concerning net operating losses).

(7) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that placed Section 179 property (as defined in Section 179 of the Internal Revenue Code) in service in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election for federal income tax purposes not been made for the year in which the property was placed in service to take deductions under Section 179 of the Internal Revenue Code in a total amount exceeding the sum of:

(A) twenty-five thousand dollars (\$25,000) to the extent deductions under Section 179 of the Internal Revenue Code were not elected as provided in clause (B); and

(B) for taxable years beginning after December 31, 2017, the deductions elected under Section 179 of the Internal Revenue Code on property acquired in an exchange if:

(i) the exchange would have been eligible for nonrecognition of gain or loss under Section 1031 of the Internal Revenue Code in effect on January 1, 2017;

(ii) the exchange is not eligible for nonrecognition of gain or loss under Section 1031 of the Internal Revenue Code; and

(iii) the taxpayer made an election to take deductions under Section 179 of the Internal Revenue Code with regard to the acquired property in the year that the property was placed into service.

The amount of deductions allowable for an item of property under this clause may not exceed the amount of adjusted gross income realized on the property that would have been deferred under the Internal Revenue Code in effect on January 1, 2017.

(8) Add to the extent required by IC 6-3-2-20:

(A) the amount of intangible expenses (as defined in IC 6-3-2-20) for the taxable year that reduced the corporation's taxable income (as defined in Section 63 of the Internal Revenue Code) for federal income tax purposes; and

(B) any directly related interest expenses (as defined in IC 6-3-2-20) that reduced the corporation's adjusted gross income (determined without regard to this subdivision). For purposes of this clause, any directly related interest expense that constitutes business interest within the meaning of Section



163(j) of the Internal Revenue Code shall be considered to have reduced the taxpayer's federal taxable income only in the first taxable year in which the deduction otherwise would have been allowable under Section 163 of the Internal Revenue Code if the limitation under Section 163(j)(1) of the Internal Revenue Code did not exist.

(9) Add an amount equal to any deduction for dividends paid (as defined in Section 561 of the Internal Revenue Code) to shareholders of a captive real estate investment trust (as defined in section 34.5 of this chapter).

(10) Subtract income that is:

(A) exempt from taxation under IC 6-3-2-21.7 (certain income derived from patents); and

(B) included in the corporation's taxable income under the Internal Revenue Code.

(11) Add an amount equal to any income not included in gross income as a result of the deferral of income arising from business indebtedness discharged in connection with the reacquisition after December 31, 2008, and before January 1, 2011, of an applicable debt instrument, as provided in Section 108(i) of the Internal Revenue Code. Subtract from the adjusted gross income of any taxpayer that added an amount to adjusted gross income in a previous year the amount necessary to offset the amount included in federal gross income as a result of the deferral of income arising from business indebtedness discharged in connection with the reacquisition after December 31, 2008, and before January 1, 2011, of an applicable debt instrument, as provided in Section 108(i) of the Internal Revenue Code.

(12) Add the amount excluded from federal gross income under Section 103 of the Internal Revenue Code for interest received on an obligation of a state other than Indiana, or a political subdivision of such a state, that is acquired by the taxpayer after December 31, 2011.

(13) For taxable years beginning after December 25, 2016:

(A) for a corporation other than a real estate investment trust, add:

(i) an amount equal to the amount reported by the taxpayer on IRC 965 Transition Tax Statement, line 1; or

(ii) if the taxpayer deducted an amount under Section 965(c) of the Internal Revenue Code in determining the taxpayer's taxable income for purposes of the federal income tax, the amount deducted under Section 965(c) of the Internal



Revenue Code; and

(B) for a real estate investment trust, add an amount equal to the deduction for deferred foreign income that was claimed by the taxpayer for the taxable year under Section 965(c) of the Internal Revenue Code, but only to the extent that the taxpayer included income pursuant to Section 965 of the Internal Revenue Code in its taxable income for federal income tax purposes or is required to add back dividends paid under subdivision (9).

(14) Add an amount equal to the deduction that was claimed by the taxpayer for the taxable year under Section 250(a)(1)(B) of the Internal Revenue Code (attributable to global intangible low-taxed income). The taxpayer shall separately specify the amount of the reduction under Section 250(a)(1)(B)(i) of the Internal Revenue Code and under Section 250(a)(1)(B)(ii) of the Internal Revenue Code.

(15) Subtract any interest expense paid or accrued in the current taxable year but not deducted as a result of the limitation imposed under Section 163(j)(1) of the Internal Revenue Code. Add any interest expense paid or accrued in a previous taxable year but allowed as a deduction under Section 163 of the Internal Revenue Code in the current taxable year. For purposes of this subdivision, an interest expense is considered paid or accrued only in the first taxable year the deduction would have been allowable under Section 163 of the Internal Revenue Code if the limitation under Section 163(j)(1) of the Internal Revenue Code did not exist.

(16) Subtract the amount that would have been excluded from gross income but for the enactment of Section 118(b)(2) of the Internal Revenue Code for taxable years ending after December 22, 2017.

(17) Add an amount equal to the remainder of:

- (A) the amount allowable as a deduction under Section 274(n) of the Internal Revenue Code; minus
- (B) the amount otherwise allowable as a deduction under Section 274(n) of the Internal Revenue Code, if Section 274(n)(2)(D) of the Internal Revenue Code was not in effect for amounts paid or incurred after December 31, 2020.

(18) For taxable years ending after March 12, 2020, subtract an amount equal to the deduction disallowed pursuant to:

- (A) Section 2301(e) of the CARES Act (Public Law 116-136), as modified by Sections 206 and 207 of the Taxpayer Certainty and Disaster Relief Tax Act (Division EE of Public Law



116-260); and

(B) Section 3134(e) of the Internal Revenue Code.

(19) For taxable years beginning after December 31, 2022, subtract an amount equal to the deduction disallowed under Section 280C(h) of the Internal Revenue Code.

(20) Add or subtract any other amounts the taxpayer is:

(A) required to add or subtract; or

(B) entitled to deduct;

under IC 6-3-2.

(c) The following apply to taxable years beginning after December 31, 2018, for purposes of the add back of any deduction allowed on the taxpayer's federal income tax return for wagering taxes, as provided in subsection (a)(2) if the taxpayer is an individual or subsection (b)(3) if the taxpayer is a corporation:

(1) For taxable years beginning after December 31, 2018, and before January 1, 2020, a taxpayer is required to add back under this section eighty-seven and five-tenths percent (87.5%) of any deduction allowed on the taxpayer's federal income tax return for wagering taxes.

(2) For taxable years beginning after December 31, 2019, and before January 1, 2021, a taxpayer is required to add back under this section seventy-five percent (75%) of any deduction allowed on the taxpayer's federal income tax return for wagering taxes.

(3) For taxable years beginning after December 31, 2020, and before January 1, 2022, a taxpayer is required to add back under this section sixty-two and five-tenths percent (62.5%) of any deduction allowed on the taxpayer's federal income tax return for wagering taxes.

(4) For taxable years beginning after December 31, 2021, and before January 1, 2023, a taxpayer is required to add back under this section fifty percent (50%) of any deduction allowed on the taxpayer's federal income tax return for wagering taxes.

(5) For taxable years beginning after December 31, 2022, and before January 1, 2024, a taxpayer is required to add back under this section thirty-seven and five-tenths percent (37.5%) of any deduction allowed on the taxpayer's federal income tax return for wagering taxes.

(6) For taxable years beginning after December 31, 2023, and before January 1, 2025, a taxpayer is required to add back under this section twenty-five percent (25%) of any deduction allowed on the taxpayer's federal income tax return for wagering taxes.

(7) For taxable years beginning after December 31, 2024, and



before January 1, 2026, a taxpayer is required to add back under this section twelve and five-tenths percent (12.5%) of any deduction allowed on the taxpayer's federal income tax return for wagering taxes.

(8) For taxable years beginning after December 31, 2025, a taxpayer is not required to add back under this section any amount of a deduction allowed on the taxpayer's federal income tax return for wagering taxes.

(d) In the case of life insurance companies (as defined in Section 816(a) of the Internal Revenue Code) that are organized under Indiana law, the same as "life insurance company taxable income" (as defined in Section 801 of the Internal Revenue Code), adjusted as follows:

(1) Subtract income that is exempt from taxation under this article by the Constitution and statutes of the United States.

(2) Add an amount equal to any deduction allowed or allowable under Section 170 of the Internal Revenue Code (concerning charitable contributions).

(3) Add an amount equal to a deduction allowed or allowable under Section 805 or Section 832(c) of the Internal Revenue Code for taxes based on or measured by income and levied at the state level by any state.

(4) Subtract an amount equal to the amount included in the company's taxable income under Section 78 of the Internal Revenue Code (concerning foreign tax credits).

(5) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that owns property for which bonus depreciation was allowed in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election not been made under Section 168(k) of the Internal Revenue Code to apply bonus depreciation to the property in the year that it was placed in service.

(6) Add an amount equal to any deduction allowed under Section 172 of the Internal Revenue Code (concerning net operating losses).

(7) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that placed Section 179 property (as defined in Section 179 of the Internal Revenue Code) in service in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election for federal income tax purposes not been made for the year in which the property was placed in



service to take deductions under Section 179 of the Internal Revenue Code in a total amount exceeding the sum of:

(A) twenty-five thousand dollars (\$25,000) to the extent deductions under Section 179 of the Internal Revenue Code were not elected as provided in clause (B); and

(B) for taxable years beginning after December 31, 2017, the deductions elected under Section 179 of the Internal Revenue Code on property acquired in an exchange if:

(i) the exchange would have been eligible for nonrecognition of gain or loss under Section 1031 of the Internal Revenue Code in effect on January 1, 2017;

(ii) the exchange is not eligible for nonrecognition of gain or loss under Section 1031 of the Internal Revenue Code; and

(iii) the taxpayer made an election to take deductions under Section 179 of the Internal Revenue Code with regard to the acquired property in the year that the property was placed into service.

The amount of deductions allowable for an item of property under this clause may not exceed the amount of adjusted gross income realized on the property that would have been deferred under the Internal Revenue Code in effect on January 1, 2017.

(8) Subtract income that is:

(A) exempt from taxation under IC 6-3-2-21.7 (certain income derived from patents); and

(B) included in the insurance company's taxable income under the Internal Revenue Code.

(9) Add an amount equal to any income not included in gross income as a result of the deferral of income arising from business indebtedness discharged in connection with the reacquisition after December 31, 2008, and before January 1, 2011, of an applicable debt instrument, as provided in Section 108(i) of the Internal Revenue Code. Subtract from the adjusted gross income of any taxpayer that added an amount to adjusted gross income in a previous year the amount necessary to offset the amount included in federal gross income as a result of the deferral of income arising from business indebtedness discharged in connection with the reacquisition after December 31, 2008, and before January 1, 2011, of an applicable debt instrument, as provided in Section 108(i) of the Internal Revenue Code.

(10) Add an amount equal to any exempt insurance income under Section 953(e) of the Internal Revenue Code that is active financing income under Subpart F of Subtitle A, Chapter 1,



Subchapter N of the Internal Revenue Code.

(11) Add the amount excluded from federal gross income under Section 103 of the Internal Revenue Code for interest received on an obligation of a state other than Indiana, or a political subdivision of such a state, that is acquired by the taxpayer after December 31, 2011.

(12) For taxable years beginning after December 25, 2016, add:

(A) an amount equal to the amount reported by the taxpayer on IRC 965 Transition Tax Statement, line 1; or

(B) if the taxpayer deducted an amount under Section 965(c) of the Internal Revenue Code in determining the taxpayer's taxable income for purposes of the federal income tax, the amount deducted under Section 965(c) of the Internal Revenue Code.

(13) Add an amount equal to the deduction that was claimed by the taxpayer for the taxable year under Section 250(a)(1)(B) of the Internal Revenue Code (attributable to global intangible low-taxed income). The taxpayer shall separately specify the amount of the reduction under Section 250(a)(1)(B)(i) of the Internal Revenue Code and under Section 250(a)(1)(B)(ii) of the Internal Revenue Code.

(14) Subtract any interest expense paid or accrued in the current taxable year but not deducted as a result of the limitation imposed under Section 163(j)(1) of the Internal Revenue Code. Add any interest expense paid or accrued in a previous taxable year but allowed as a deduction under Section 163 of the Internal Revenue Code in the current taxable year. For purposes of this subdivision, an interest expense is considered paid or accrued only in the first taxable year the deduction would have been allowable under Section 163 of the Internal Revenue Code if the limitation under Section 163(j)(1) of the Internal Revenue Code did not exist.

(15) Subtract the amount that would have been excluded from gross income but for the enactment of Section 118(b)(2) of the Internal Revenue Code for taxable years ending after December 22, 2017.

(16) Add an amount equal to the remainder of:

(A) the amount allowable as a deduction under Section 274(n) of the Internal Revenue Code; minus

(B) the amount otherwise allowable as a deduction under Section 274(n) of the Internal Revenue Code, if Section 274(n)(2)(D) of the Internal Revenue Code was not in effect for amounts paid or incurred after December 31, 2020.



(17) For taxable years ending after March 12, 2020, subtract an amount equal to the deduction disallowed pursuant to:

(A) Section 2301(e) of the CARES Act (Public Law 116-136), as modified by Sections 206 and 207 of the Taxpayer Certainty and Disaster Relief Tax Act (Division EE of Public Law 116-260); and

(B) Section 3134(e) of the Internal Revenue Code.

(18) For taxable years beginning after December 31, 2022, subtract an amount equal to the deduction disallowed under Section 280C(h) of the Internal Revenue Code.

(19) Add or subtract any other amounts the taxpayer is:

(A) required to add or subtract; or

(B) entitled to deduct;

under IC 6-3-2.

(e) In the case of insurance companies subject to tax under Section 831 of the Internal Revenue Code and organized under Indiana law, the same as "taxable income" (as defined in Section 832 of the Internal Revenue Code), adjusted as follows:

(1) Subtract income that is exempt from taxation under this article by the Constitution and statutes of the United States.

(2) Add an amount equal to any deduction allowed or allowable under Section 170 of the Internal Revenue Code (concerning charitable contributions).

(3) Add an amount equal to a deduction allowed or allowable under Section 805 or Section 832(c) of the Internal Revenue Code for taxes based on or measured by income and levied at the state level by any state.

(4) Subtract an amount equal to the amount included in the company's taxable income under Section 78 of the Internal Revenue Code (concerning foreign tax credits).

(5) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that owns property for which bonus depreciation was allowed in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election not been made under Section 168(k) of the Internal Revenue Code to apply bonus depreciation to the property in the year that it was placed in service.

(6) Add an amount equal to any deduction allowed under Section 172 of the Internal Revenue Code (concerning net operating losses).

(7) Add or subtract the amount necessary to make the adjusted



gross income of any taxpayer that placed Section 179 property (as defined in Section 179 of the Internal Revenue Code) in service in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election for federal income tax purposes not been made for the year in which the property was placed in service to take deductions under Section 179 of the Internal Revenue Code in a total amount exceeding the sum of:

(A) twenty-five thousand dollars (\$25,000) to the extent deductions under Section 179 of the Internal Revenue Code were not elected as provided in clause (B); and

(B) for taxable years beginning after December 31, 2017, the deductions elected under Section 179 of the Internal Revenue Code on property acquired in an exchange if:

- (i) the exchange would have been eligible for nonrecognition of gain or loss under Section 1031 of the Internal Revenue Code in effect on January 1, 2017;
- (ii) the exchange is not eligible for nonrecognition of gain or loss under Section 1031 of the Internal Revenue Code; and
- (iii) the taxpayer made an election to take deductions under Section 179 of the Internal Revenue Code with regard to the acquired property in the year that the property was placed into service.

The amount of deductions allowable for an item of property under this clause may not exceed the amount of adjusted gross income realized on the property that would have been deferred under the Internal Revenue Code in effect on January 1, 2017.

(8) Subtract income that is:

(A) exempt from taxation under IC 6-3-2-21.7 (certain income derived from patents); and

(B) included in the insurance company's taxable income under the Internal Revenue Code.

(9) Add an amount equal to any income not included in gross income as a result of the deferral of income arising from business indebtedness discharged in connection with the reacquisition after December 31, 2008, and before January 1, 2011, of an applicable debt instrument, as provided in Section 108(i) of the Internal Revenue Code. Subtract from the adjusted gross income of any taxpayer that added an amount to adjusted gross income in a previous year the amount necessary to offset the amount included in federal gross income as a result of the deferral of income arising from business indebtedness discharged in connection with



the reacquisition after December 31, 2008, and before January 1, 2011, of an applicable debt instrument, as provided in Section 108(i) of the Internal Revenue Code.

(10) Add an amount equal to any exempt insurance income under Section 953(e) of the Internal Revenue Code that is active financing income under Subpart F of Subtitle A, Chapter 1, Subchapter N of the Internal Revenue Code.

(11) Add the amount excluded from federal gross income under Section 103 of the Internal Revenue Code for interest received on an obligation of a state other than Indiana, or a political subdivision of such a state, that is acquired by the taxpayer after December 31, 2011.

(12) For taxable years beginning after December 25, 2016, add:

(A) an amount equal to the amount reported by the taxpayer on IRC 965 Transition Tax Statement, line 1; or

(B) if the taxpayer deducted an amount under Section 965(c) of the Internal Revenue Code in determining the taxpayer's taxable income for purposes of the federal income tax, the amount deducted under Section 965(c) of the Internal Revenue Code.

(13) Add an amount equal to the deduction that was claimed by the taxpayer for the taxable year under Section 250(a)(1)(B) of the Internal Revenue Code (attributable to global intangible low-taxed income). The taxpayer shall separately specify the amount of the reduction under Section 250(a)(1)(B)(i) of the Internal Revenue Code and under Section 250(a)(1)(B)(ii) of the Internal Revenue Code.

(14) Subtract any interest expense paid or accrued in the current taxable year but not deducted as a result of the limitation imposed under Section 163(j)(1) of the Internal Revenue Code. Add any interest expense paid or accrued in a previous taxable year but allowed as a deduction under Section 163 of the Internal Revenue Code in the current taxable year. For purposes of this subdivision, an interest expense is considered paid or accrued only in the first taxable year the deduction would have been allowable under Section 163 of the Internal Revenue Code if the limitation under Section 163(j)(1) of the Internal Revenue Code did not exist.

(15) Subtract the amount that would have been excluded from gross income but for the enactment of Section 118(b)(2) of the Internal Revenue Code for taxable years ending after December 22, 2017.

(16) Add an amount equal to the remainder of:



- (A) the amount allowable as a deduction under Section 274(n) of the Internal Revenue Code; minus
- (B) the amount otherwise allowable as a deduction under Section 274(n) of the Internal Revenue Code, if Section 274(n)(2)(D) of the Internal Revenue Code was not in effect for amounts paid or incurred after December 31, 2020.
- (17) For taxable years ending after March 12, 2020, subtract an amount equal to the deduction disallowed pursuant to:
 - (A) Section 2301(e) of the CARES Act (Public Law 116-136), as modified by Sections 206 and 207 of the Taxpayer Certainty and Disaster Relief Tax Act (Division EE of Public Law 116-260); and
 - (B) Section 3134(e) of the Internal Revenue Code.
- (18) For taxable years beginning after December 31, 2022, subtract an amount equal to the deduction disallowed under Section 280C(h) of the Internal Revenue Code.
- (19) Add or subtract any other amounts the taxpayer is:
 - (A) required to add or subtract; or
 - (B) entitled to deduct;
 under IC 6-3-2.
- (f) In the case of trusts and estates, "taxable income" (as defined for trusts and estates in Section 641(b) of the Internal Revenue Code) adjusted as follows:
 - (1) Subtract income that is exempt from taxation under this article by the Constitution and statutes of the United States.
 - (2) Subtract an amount equal to the amount of a September 11 terrorist attack settlement payment included in the federal adjusted gross income of the estate of a victim of the September 11 terrorist attack or a trust to the extent the trust benefits a victim of the September 11 terrorist attack.
 - (3) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that owns property for which bonus depreciation was allowed in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election not been made under Section 168(k) of the Internal Revenue Code to apply bonus depreciation to the property in the year that it was placed in service.
 - (4) Add an amount equal to any deduction allowed under Section 172 of the Internal Revenue Code (concerning net operating losses).
 - (5) Add or subtract the amount necessary to make the adjusted



gross income of any taxpayer that placed Section 179 property (as defined in Section 179 of the Internal Revenue Code) in service in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election for federal income tax purposes not been made for the year in which the property was placed in service to take deductions under Section 179 of the Internal Revenue Code in a total amount exceeding the sum of:

(A) twenty-five thousand dollars (\$25,000) to the extent deductions under Section 179 of the Internal Revenue Code were not elected as provided in clause (B); and

(B) for taxable years beginning after December 31, 2017, the deductions elected under Section 179 of the Internal Revenue Code on property acquired in an exchange if:

(i) the exchange would have been eligible for nonrecognition of gain or loss under Section 1031 of the Internal Revenue Code in effect on January 1, 2017;

(ii) the exchange is not eligible for nonrecognition of gain or loss under Section 1031 of the Internal Revenue Code; and

(iii) the taxpayer made an election to take deductions under Section 179 of the Internal Revenue Code with regard to the acquired property in the year that the property was placed into service.

The amount of deductions allowable for an item of property under this clause may not exceed the amount of adjusted gross income realized on the property that would have been deferred under the Internal Revenue Code in effect on January 1, 2017.

(6) Subtract income that is:

(A) exempt from taxation under IC 6-3-2-21.7 (certain income derived from patents); and

(B) included in the taxpayer's taxable income under the Internal Revenue Code.

(7) Add an amount equal to any income not included in gross income as a result of the deferral of income arising from business indebtedness discharged in connection with the reacquisition after December 31, 2008, and before January 1, 2011, of an applicable debt instrument, as provided in Section 108(i) of the Internal Revenue Code. Subtract from the adjusted gross income of any taxpayer that added an amount to adjusted gross income in a previous year the amount necessary to offset the amount included in federal gross income as a result of the deferral of income arising from business indebtedness discharged in connection with



the reacquisition after December 31, 2008, and before January 1, 2011, of an applicable debt instrument, as provided in Section 108(i) of the Internal Revenue Code.

(8) Add the amount excluded from federal gross income under Section 103 of the Internal Revenue Code for interest received on an obligation of a state other than Indiana, or a political subdivision of such a state, that is acquired by the taxpayer after December 31, 2011.

(9) For taxable years beginning after December 25, 2016, add an amount equal to:

(A) the amount reported by the taxpayer on IRC 965 Transition Tax Statement, line 1;

(B) if the taxpayer deducted an amount under Section 965(c) of the Internal Revenue Code in determining the taxpayer's taxable income for purposes of the federal income tax, the amount deducted under Section 965(c) of the Internal Revenue Code; and

(C) with regard to any amounts of income under Section 965 of the Internal Revenue Code distributed by the taxpayer, the deduction under Section 965(c) of the Internal Revenue Code attributable to such distributed amounts and not reported to the beneficiary.

For purposes of this article, the amount required to be added back under clause (B) is not considered to be distributed or distributable to a beneficiary of the estate or trust for purposes of Sections 651 and 661 of the Internal Revenue Code.

(10) Subtract any interest expense paid or accrued in the current taxable year but not deducted as a result of the limitation imposed under Section 163(j)(1) of the Internal Revenue Code. Add any interest expense paid or accrued in a previous taxable year but allowed as a deduction under Section 163 of the Internal Revenue Code in the current taxable year. For purposes of this subdivision, an interest expense is considered paid or accrued only in the first taxable year the deduction would have been allowable under Section 163 of the Internal Revenue Code if the limitation under Section 163(j)(1) of the Internal Revenue Code did not exist.

(11) Add an amount equal to the deduction for qualified business income that was claimed by the taxpayer for the taxable year under Section 199A of the Internal Revenue Code.

(12) Subtract the amount that would have been excluded from gross income but for the enactment of Section 118(b)(2) of the Internal Revenue Code for taxable years ending after December



22, 2017.

(13) Add an amount equal to the remainder of:

(A) the amount allowable as a deduction under Section 274(n) of the Internal Revenue Code; minus

(B) the amount otherwise allowable as a deduction under Section 274(n) of the Internal Revenue Code, if Section 274(n)(2)(D) of the Internal Revenue Code was not in effect for amounts paid or incurred after December 31, 2020.

(14) For taxable years beginning after December 31, 2017, and before January 1, 2021, add an amount equal to the excess business loss of the taxpayer as defined in Section 461(l)(3) of the Internal Revenue Code. In addition:

(A) If a taxpayer has an excess business loss under this subdivision and also has modifications under subdivisions (3) and (5) for property placed in service during the taxable year, the taxpayer shall treat a portion of the taxable year modifications for that property as occurring in the taxable year the property is placed in service and a portion of the modifications as occurring in the immediately following taxable year.

(B) The portion of the modifications under subdivisions (3) and (5) for property placed in service during the taxable year treated as occurring in the taxable year in which the property is placed in service equals:

(i) the modification for the property otherwise determined under this section; minus

(ii) the excess business loss disallowed under this subdivision;

but not less than zero (0).

(C) The portion of the modifications under subdivisions (3) and (5) for property placed in service during the taxable year treated as occurring in the taxable year immediately following the taxable year in which the property is placed in service equals the modification for the property otherwise determined under this section minus the amount in clause (B).

(D) Any reallocation of modifications between taxable years under clauses (B) and (C) shall be first allocated to the modification under subdivision (3), then to the modification under subdivision (5).

(15) For taxable years ending after March 12, 2020, subtract an amount equal to the deduction disallowed pursuant to:

(A) Section 2301(e) of the CARES Act (Public Law 116-136),



as modified by Sections 206 and 207 of the Taxpayer Certainty and Disaster Relief Tax Act (Division EE of Public Law 116-260); and

(B) Section 3134(e) of the Internal Revenue Code.

(16) For taxable years beginning after December 31, 2022, subtract an amount equal to the deduction disallowed under Section 280C(h) of the Internal Revenue Code.

(17) Except as provided in subsection (c), for taxable years beginning after December 31, 2022, add an amount equal to any deduction or deductions allowed or allowable in determining taxable income under Section 641(b) of the Internal Revenue Code for taxes based on or measured by income and levied at the state level by any state of the United States.

(18) Add or subtract any other amounts the taxpayer is:

(A) required to add or subtract; or

(B) entitled to deduct;

under IC 6-3-2.

(g) For purposes of IC 6-3-2.1, IC 6-3-4-12, IC 6-3-4-13, and IC 6-3-4-15 for taxable years beginning after December 31, 2022, "adjusted gross income" of a pass through entity means the ~~aggregate of items of ordinary income and loss in the case of a partnership or a corporation described in IC 6-3-2-2.8(2), or aggregate distributable net income of a trust or estate as defined in Section 643 of the Internal Revenue Code;~~ **distributions subject to tax for state and federal income tax for beneficiaries in the case of a trust or estate,** whichever is applicable, for the taxable year modified as follows:

(1) Add the separately stated items of income and gains, or the equivalent items that must be considered separately by a beneficiary, as determined for federal purposes, attributed to the partners, shareholders, or beneficiaries of the pass through entity, determined without regard to whether the owner is permitted to exclude all or part of the income or gain or deduct any amount against the income or gain.

(2) Subtract the separately stated items of deductions or losses or items that must be considered separately by beneficiaries, as determined for federal purposes, attributed to partners, shareholders, or beneficiaries of the pass through entity and that are deductible by an individual in determining adjusted gross income as defined under Section 62 of the Internal Revenue Code:

(A) limited as if the partners, shareholders, and beneficiaries deducted the maximum allowable loss or deduction allowable



for the taxable year prior to any amount deductible from the pass through entity; but

(B) not considering any disallowance of deductions resulting from federal basis limitations for the partner, shareholder, or beneficiary.

(3) Add or subtract any modifications to adjusted gross income that would be required both for individuals under subsection (a) and corporations under subsection (b) to the extent otherwise provided in those subsections, including amounts that are allowable for which such modifications are necessary to account for separately stated items in subdivision (1) or (2).

(h) Subsections (a)(35), (b)(20), (d)(19), (e)(19), or (f)(18) may not be construed to require an add back or allow a deduction or exemption more than once for a particular add back, deduction, or exemption.

(i) For taxable years beginning after December 25, 2016, if:

(1) a taxpayer is a shareholder, either directly or indirectly, in a corporation that is an E&P deficit foreign corporation as defined in Section 965(b)(3)(B) of the Internal Revenue Code, and the earnings and profit deficit, or a portion of the earnings and profit deficit, of the E&P deficit foreign corporation is permitted to reduce the federal adjusted gross income or federal taxable income of the taxpayer, the deficit, or the portion of the deficit, shall also reduce the amount taxable under this section to the extent permitted under the Internal Revenue Code, however, in no case shall this permit a reduction in the amount taxable under Section 965 of the Internal Revenue Code for purposes of this section to be less than zero (0); and

(2) the Internal Revenue Service issues guidance that such an income or deduction is not reported directly on a federal tax return or is to be reported in a manner different than specified in this section, this section shall be construed as if federal adjusted gross income or federal taxable income included the income or deduction.

(j) If a partner is required to include an item of income, a deduction, or another tax attribute in the partner's adjusted gross income tax return pursuant to IC 6-3-4.5, such item shall be considered to be includible in the partner's federal adjusted gross income or federal taxable income, regardless of whether such item is actually required to be reported by the partner for federal income tax purposes. For purposes of this subsection:

(1) items for which a valid election is made under IC 6-3-4.5-6, IC 6-3-4.5-8, or IC 6-3-4.5-9 shall not be required to be included



in the partner's adjusted gross income or taxable income; and
 (2) items for which the partnership did not make an election under IC 6-3-4.5-6, IC 6-3-4.5-8, or IC 6-3-4.5-9, but for which the partnership is required to remit tax pursuant to IC 6-3-4.5-18, shall be included in the partner's adjusted gross income or taxable income.

SECTION 34. IC 6-3-2-2.8, AS AMENDED BY P.L.1-2023, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 2.8. Notwithstanding any provision of IC 6-3-1 through IC 6-3-7, there shall be no tax on the adjusted gross income of the following:

(1) Any organization described in Section 501(a) of the Internal Revenue Code, except that any income of such organization which is subject to income tax under the Internal Revenue Code shall be subject to the tax under IC 6-3-1 through IC 6-3-7.

(2) Any corporation which is exempt from income tax under Section 1363 of the Internal Revenue Code and which complies with the requirements of IC 6-3-4-13. However, income of a corporation described under this subdivision that is subject to income tax under the Internal Revenue Code is subject to the tax under IC 6-3-1 through IC 6-3-7. A corporation will not lose its exemption under this section because it fails to comply with IC 6-3-4-13 but it will be subject to the penalties provided by IC 6-8.1-10. Any corporation that is exempt from income tax under Section 1363 of the Internal Revenue Code and that makes an election under IC 6-3-2.1 for a taxable year shall be subject to tax as provided in IC 6-3-2.1 for the taxable year of the election.

(3) Banks and trust companies, national banking associations, savings banks, building and loan associations, and savings and loan associations.

(4) Insurance companies **or organizations offering nonprofit agricultural organization coverage** subject to tax under any of the following:

(A) IC 27-1-18-2, including a domestic insurance company that elects to be taxed under IC 27-1-18-2.

(B) IC 27-1-2-2.3.

(C) IC 6-8-15, unless a nonprofit agricultural organization files a notice of election with the commissioner of the department of state revenue as set forth in IC 6-8-15-5(b) stating that the nonprofit agricultural organization elects to submit to the tax imposed under IC 6-3-1 through IC 6-3-7.



(5) International banking facilities (as defined in Regulation D of the Board of Governors of the Federal Reserve System (12 CFR 204)).

SECTION 35. IC 6-3-2.1-4, AS ADDED BY P.L.1-2023, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2022 (RETROACTIVE)]: Sec. 4. (a) A tax shall be imposed on the adjusted gross income of an electing entity for the taxable year of the election. The adjusted gross income of the electing entity shall be the aggregate of the direct owners' share of the electing entity's adjusted gross income. For purposes of this section:

(1) the electing entity shall determine each nonresident direct owner's share after allocation and apportionment pursuant to IC 6-3-2-2; and

(2) the electing entity shall determine the resident direct owner's share either before allocation and apportionment pursuant to IC 6-3-2-2 or after allocation and apportionment pursuant to IC 6-3-2-2. The electing entity must use the same method for all resident direct owners.

(b) The tax rate shall be the tax rate specified in IC 6-3-2-1(b) as of the last day of the electing entity's taxable year, and the tax shall be due on the same date as the entity return for the taxable year is due under this article, without regard to extensions.

(c) On its return for the taxable year, the electing entity shall attach a schedule showing the calculation of the tax and the credit for each **entity direct** owner, and remit the tax with the return, taking into account prior estimated tax payments and other tax payments by the electing entity, along with other payments that are credited to the electing entity as tax paid under this chapter or as tax withheld under IC 6-3-4 or IC 6-5.5-2-8. The department may prescribe the form for providing the information required by this section.

(d) If a pass through entity makes estimated tax payments, makes other tax payments, or has other payments that are credited to the electing entity as tax paid under this chapter or a tax withheld under IC 6-3-4 or IC 6-5.5-2-8, and the pass through entity does not make the election under section 3 of this chapter, the pass through entity:

(1) may treat pass through entity tax remitted on its behalf under this chapter as pass through entity tax to its direct owners, provided that:

(A) the tax is designated on a schedule similar to the schedule required under subsection (c) and is reported to the direct owners in the manner provided in section 5 of this chapter; and

(B) the pass through entity credits an amount to a direct owner



no greater than the tax that otherwise would be due under this chapter on their share of the adjusted gross income from the pass through entity or the direct owner's portion (as determined under subsection (a)) of the pass through entity tax passed through to the pass through entity, whichever is greater (for purposes of this clause, a trust or estate shall compute the tax in the same manner as an electing entity);

(2) shall treat any payment other than a payment designated under subdivision (1) as a withholding tax payment under IC 6-3-4-12, IC 6-3-4-13, IC 6-3-4-15, or IC 6-5.5-2-8 to the extent the pass through entity otherwise has not remitted or been credited with such withholding; and

(3) may request a refund of any payment in excess of the amounts credited or designated under subdivision (1) or (2).

(e) If a pass through entity elects to be subject to tax under this chapter and the pass through entity determines that its tax is less than the pass through entity tax that is paid on its behalf, the pass through entity may treat the tax paid on its behalf in a manner similar to subsection (d)(1)(B)."

Page 38, line 36, after "ordinance." insert **"The county adopting body must provide confirmation to the department of state revenue and the department of local government finance that direct notice was provided to the affected local taxing units within fifteen (15) days of the passage of the ordinance.**

(f) If a county adopting body fails to meet the notice requirements as outlined in subsection (e), the allocation of local income tax revenue will remain unchanged for the underlying local taxing unit and the ordinance changing an allocation of local income tax revenue is void."

Page 39, between lines 16 and 17, begin a new paragraph and insert:

"SECTION 34. IC 6-3.6-5-6, AS AMENDED BY P.L.174-2022, SECTION 47, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2023 (RETROACTIVE)]: Sec. 6. (a) This section applies to all counties.

(b) The adopting body may impose a tax rate under this chapter that does not exceed one and twenty-five hundredths percent (1.25%) on the adjusted gross income of local taxpayers in the county served by the adopting body.

(c) Revenues from a tax under this section may be used only for the purpose of funding a property tax credit applied on a percentage basis to reduce the property tax liability of taxpayers with tangible property located in the county as authorized under this section. Property taxes



imposed due to a referendum in which a majority of the voters in the taxing unit imposing the property taxes approved the property taxes are not eligible for a credit under this section.

(d) The adopting body shall specify by ordinance how the revenue from the tax shall be applied under subdivisions (1) through (4) to provide property tax credits in subsequent years. The allocation must be specified as a percentage of property tax relief revenue for taxpayers within each property category. The ordinance must be adopted as provided in IC 6-3.6-3 and takes effect and applies to property taxes as specified in IC 6-3.6-3-3. The ordinance continues to apply thereafter until it is rescinded or modified. The property tax credits may be allocated to all property categories or among any combination of the following categories:

(1) For homesteads eligible for a credit under IC 6-1.1-20.6-7.5 that limits the taxpayer's property tax liability for the property to one percent (1%).

(2) For residential property, ~~long term health~~ care property, agricultural land, and other tangible property (if any) eligible for a credit under IC 6-1.1-20.6-7.5 that limits the taxpayer's property tax liability for the property to two percent (2%).

(3) For residential property, as defined in IC 6-1.1-20.6-4.

(4) For nonresidential real property, personal property, and other tangible property (if any) eligible for a credit under IC 6-1.1-20.6-7.5 that limits the taxpayer's property tax liability for the property to three percent (3%).

(e) Within a category described in subsection (d) for which an ordinance grants property tax credits, the property tax credit rate must be a uniform percentage for all qualifying taxpayers with property in that category in the county. The credit percentage may be, but does not have to be, uniform for all categories of property listed in subsection (d).

(f) The county auditor shall allocate the amount of revenue applied as tax credits under this section to the taxing units that imposed the eligible property taxes against which the credits are applied.

(g) If the adopting body adopts an ordinance to reduce or eliminate the property tax relief credits that are in effect in the county under this chapter, the county auditor shall give notice of the adoption of the ordinance in accordance with IC 5-3-1 not later than thirty (30) days after the date on which the ordinance is adopted."

Page 39, between lines 41 and 42, begin a new paragraph and insert:
"SECTION 35. IC 6-5.5-2-7, AS AMENDED BY P.L.129-2014, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE



JULY 1, 2023]: Sec. 7. Notwithstanding any other provision of this article, there is no tax imposed on the adjusted gross income or apportioned income of the following:

(1) Insurance companies **or organizations offering nonprofit agricultural organization coverage** subject to the tax under any of the following:

(A) IC 27-1-18-2.

(B) IC 27-1-2-2.3.

(C) IC 6-3.

(D) IC 6-8-15.

(2) International banking facilities (as defined in Regulation D of the Board of Governors of the Federal Reserve System).

(3) Any corporation that is exempt from income tax under Section 1363 of the Internal Revenue Code.

(4) Any corporation exempt from federal income taxation under the Internal Revenue Code, except for the corporation's unrelated business income. However, this exemption does not apply to a corporation exempt from federal income taxation under Section 501(c)(14) of the Internal Revenue Code.

SECTION 36. IC 6-7-2-7, AS AMENDED BY P.L.137-2022, SECTION 68, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2024]: Sec. 7. (a) A tax is imposed on the distribution of tobacco products in Indiana at the ~~rate of:~~ **following rates:**

(1) Twenty-four percent (24%) of the wholesale price of tobacco products other than moist snuff. ~~or~~

(2) For moist snuff, forty cents (\$0.40) per ounce, and a proportionate tax at the same rate on all fractional parts of an ounce. If the tax calculated for a fractional part of an ounce carried to the third decimal place results in the numeral in the third decimal place being greater than four (4), the amount of the tax shall be rounded to the next additional cent.

(3) For cigars:

(A) twenty-four percent (24%) of the wholesale price of a cigar for cigars having a wholesale price not exceeding three dollars (\$3) per cigar; or

(B) seventy-two cents (\$0.72) per cigar for cigars having a wholesale price exceeding three dollars (\$3) per cigar.

(b) A tax is imposed on the distribution of alternative nicotine products in Indiana at a rate of forty cents (\$0.40) per ounce, and a proportionate tax at the same rate on all fractional parts of an ounce, calculated based upon the product weight as listed by the manufacturer. If the tax calculated for a fractional part of an ounce carried to the third



decimal place being greater than four (4), the amount of the tax shall be rounded to the next additional cent.

(c) The distributor of the tobacco products or alternative nicotine products is liable for the tax imposed under subsections (a) or (b). The tax is imposed at the time the distributor:

- (1) brings or causes tobacco products or alternative nicotine products to be brought into Indiana for distribution;
- (2) manufactures tobacco products or alternative nicotine products in Indiana for distribution;
- (3) transports tobacco products or alternative nicotine products to retail dealers in Indiana for resale by those retail dealers; or
- (4) first receives the tobacco products or alternative nicotine products in Indiana in the case of a distributor or distributor transactions.

(d) The Indiana general assembly finds that the tax rate on smokeless tobacco should reflect the relative risk between such products and cigarettes.

(e) A consumer who purchases untaxed tobacco products or alternative nicotine products from a distributor or retailer is liable for the tax imposed under subsections (a) or (b).

SECTION 37. IC 6-8-15-5, AS ADDED BY P.L.154-2020, SECTION 38, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 5. **(a) Except as provided in subsection (b),** if an organization provides nonprofit agricultural organization coverage in Indiana, the organization is subject to a nonprofit agricultural organization health coverage tax under this chapter.

(b) A nonprofit agricultural organization may elect to be taxed under IC 6-3-1 through IC 6-3-7 for a calendar year in lieu of the nonprofit agricultural organization health coverage tax imposed under this chapter. A nonprofit agricultural organization that wishes to make an election under this subsection must file a notice of election with the commissioner of the department of state revenue on or before November 30 of the year immediately preceding the calendar year for which the election is made. An election filed with the commissioner of the department of state revenue under this subsection must state that the nonprofit agricultural organization elects to submit to the tax imposed under IC 6-3-1 through IC 6-3-7 for the year."

Page 40, between lines 19 and 20, begin a new paragraph and insert:

"SECTION 36. IC 8-1-34-16, AS AMENDED BY P.L.71-2022, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 16. (a) Except as provided in section 21 of



this chapter, after June 30, 2006:

(1) the commission is the sole franchising authority (as defined in 47 U.S.C. 522(10)) for the provision of video service in Indiana; and

(2) a unit may not:

(A) require a provider to obtain a separate franchise;

(B) impose any fee **(including any fee described in section 17(e) of this chapter)**, gross receipt tax, licensing requirement, rate regulation, or build-out requirement on a provider;

(C) regulate a holder or provider; or

(D) establish, fund, or otherwise designate an agency, a board, or another subordinate entity to monitor, supervise, evaluate, or regulate the holder or provider;

except as authorized by this chapter.

(b) Except as provided in section 21 of this chapter, a person who seeks to provide video service in Indiana after June 30, 2006, shall file with the commission an application for a franchise. The application shall be made on a form prescribed by the commission and must include the following:

(1) A sworn affidavit, signed by an officer or another person authorized to bind the applicant, that affirms the following:

(A) That the applicant has filed or will timely file with the Federal Communications Commission all forms required by the Federal Communications Commission before offering video service in Indiana.

(B) That the applicant agrees to comply with all federal and state statutes, rules, and regulations applicable to the operation of the applicant's video service system.

(C) That the applicant agrees to:

(i) comply with any local ordinance or regulation governing the use of public rights-of-way in the delivery of video service; and

(ii) recognize the police powers of a unit to enforce the ordinance or regulation.

(D) If the applicant will terminate an existing local franchise under section 21 of this chapter, that the applicant agrees to perform any obligations owed to any private person, as required by section 22 of this chapter.

(2) The applicant's legal name and any name under which the applicant does or will do business in Indiana, as authorized by the secretary of state.



(3) The address and telephone number of the applicant's principal place of business, along with contact information for the person responsible for ongoing communications with the commission.

(4) The names and titles of the applicant's principal officers.

(5) The legal name, address, and telephone number of the applicant's parent company, if any.

(6) A description of each service area in Indiana to be served by the applicant. A service area described under this subdivision may include an unincorporated area in Indiana.

(7) The expected date for the deployment of video service in each of the areas identified in subdivision (6).

(8) A list of other states in which the applicant provides video service.

(9) If the applicant will terminate an existing local franchise under section 21(b) of this chapter, a copy of the written notice sent to the municipality under section 21(c) of this chapter.

(10) Any other information the commission considers necessary to:

(A) monitor the provision of video service to Indiana customers; and

(B) prepare the commission's annual report under IC 8-1-1-14(c)(4).

(c) This section does not empower the commission to require:

(1) an applicant to disclose confidential and proprietary business plans and other confidential information without adequate protection of the information; or

(2) a provider to disclose more frequently than in each odd numbered year information regarding the areas in which an applicant has deployed, or plans to deploy, video services.

The commission shall exercise all necessary caution to avoid disclosure of confidential information supplied under this section.

(d) The commission may charge a fee for filing an application under this section. Any fee charged by the commission under this subsection may not exceed the commission's actual costs to process and review the application under section 17 of this chapter.

(e) Nothing in this title may be construed to require an applicant or a provider to disclose information that identifies by census block, street address, or other similar level of specificity the areas in which the applicant or provider has deployed, or plans to deploy, video service in Indiana. The commission may not disclose, publish, or report by census block, street address, or other similar level of specificity any information identifying the areas in Indiana in which an applicant or a



provider has deployed, or plans to deploy, video service.

(f) Nothing in this title may be construed to require an applicant or provider to provide the commission with information describing the applicant's or provider's programming, including the applicant's or provider's channel lineups or channel guides.

SECTION 37. IC 8-1-34-17, AS AMENDED BY P.L.86-2018, SECTION 141, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 17. (a) Not later than fifteen (15) business days after the commission receives an application under section 16 of this chapter, the commission shall determine whether the application is complete and properly verified. If the commission determines that the application is incomplete or is not properly verified, the commission shall notify the applicant of the deficiency and allow the applicant to resubmit the application after correcting the deficiency. If the commission determines that the application is complete and properly verified, the commission shall issue the applicant a certificate of franchise authority. A certificate issued under this section must contain:

- (1) a grant of authority to provide the video service requested in the application;
- (2) a grant of authority to use and occupy public rights-of-way in the delivery of the video service, subject to:
 - (A) state and local laws and regulations governing the use and occupancy of public rights-of-way; and
 - (B) the police powers of local units to enforce local ordinances and regulations governing the use and occupancy of public rights-of-way; and
- (3) a statement that the authority granted under subdivisions (1) and (2) is subject to the holder's lawful provision and operation of the video service.

(b) Except as provided in subsection (c) and sections 16(d) and 28 of this chapter, the commission may not require a provider to:

- (1) satisfy any build-out requirements;
- (2) deploy, or make investments in, any infrastructure, facilities, or equipment; or
- (3) pay an application fee, a document fee, a state franchise fee, a service charge, or any fee other than the franchise fee paid to a local unit under section 24 of this chapter;

as a condition of receiving or holding a certificate under this chapter.

(c) This section does not limit the commission's right to enforce any obligation described in subsection (b) that a provider is subject to under the terms of a settlement agreement approved by the commission



before July 29, 2004.

(d) The general assembly, a state agency, or a unit may not adopt a law, rule, ordinance, or regulation governing the use and occupancy of public rights-of-way that:

(1) discriminates against any provider, or is unduly burdensome with respect to any provider, based on the particular facilities or technology used by the provider to deliver video service; ~~or~~

(2) allows a video service system owned or operated by a unit to use or occupy public rights-of-way on terms or conditions more favorable or less burdensome than those that apply to other providers; **or**

(3) imposes on a provider any fee prohibited under subsection (e).

A law, a rule, an ordinance, or a regulation that violates this subsection is void.

(e) A unit to which a provider pays a franchise fee under this chapter, regardless of whether the provider provides video service within the unit under:

(1) a certificate issued under this chapter; or

(2) an unexpired local franchise under section 21(b)(1) of this chapter;

may not assess with respect to the provider any permit fee, encroachment fee, degradation fee, or other fee that could otherwise be imposed on the provider for the provider's occupation of or work within the public right-of-way, subject to the provider's compliance with 47 U.S.C. 541(a)(2). However, this subsection does not restrict the right of the unit to impose on the provider any ad valorem taxes or other taxes of general applicability that the unit lawfully imposes on other businesses owning property or operating within the unit.

SECTION 38. IC 14-27-6-40, AS AMENDED BY P.L.38-2021, SECTION 56, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 40. The provisions of IC 5-1 and IC 6-1.1-20 relating to the following apply to proceedings under this chapter:

(1) The filing of a petition requesting the issuance of bonds and giving notice of the petition.

(2) The giving of notice of determination to issue bonds.

(3) The giving of notice of hearing on the appropriation of the proceeds of bonds and the right of taxpayers to appeal and be heard on the proposed appropriation.

(4) The approval of the appropriation by the department of local government finance.



(5) The right of:

- (A) taxpayers and voters to remonstrate against the issuance of bonds in the case of a proposed bond issue described by IC 6-1.1-20-3.1(a); or
- (B) voters to vote on the issuance of bonds in the case of a proposed bond issue described by IC 6-1.1-20-3.5(a).

(6) The sale of bonds at:

- (A) a public sale for not less than the par value; or
- (B) alternatively, a negotiated sale after June 30, 2018, and before July 1, ~~2023~~ **2025**."

Page 40, delete lines 20 through 42.

Delete pages 41 through 43.

Page 44, delete lines 1 through 5.

Page 44, line 8, after "29." insert "(a)".

Page 44, line 8, delete "January" and insert **"on the later of:**

(1) January 1, 2045; or

(2) the date on which all bonds or lease agreements outstanding on July 1, 2023, for which a pledge of tax revenue is made under this chapter are completely paid.

(b) Not later than December 31, 2023, the fiscal officer of the county shall provide to the department of local government finance:

(1) a list of each bond or lease agreement outstanding on July 1, 2023, for which a pledge of tax revenue is made under this chapter; and

(2) the date on which each bond or lease agreement identified in subdivision (1) will be completely paid.

The department of local government finance shall publish the information received under this subsection on the department's interactive and searchable website containing local government information (the Indiana gateway for governmental units)."

Page 44, delete line 9.

Page 44, delete lines 14 through 15, begin a new paragraph and insert:

"Sec. 1. This chapter does not apply to a qualified school corporation until the expiration of IC 20-45-8 under IC 20-45-8-29(a)."

Page 44, delete line 23.

Page 44, line 24, delete "The" and insert **"the year preceding the expiration of IC 20-45-8 under IC 20-45-8-29(a). The"**.

Page 47, line 18, delete "Sec. 11. (a) This section applies to a" and insert: **"Sec. 11. (a) This chapter does not apply to a qualified school**



corporation until the expiration of IC 20-45-8 under IC 20-45-8-29(a)."

Page 47, delete lines 19 through 20.

Page 50, between lines 13 and 14, begin a new paragraph and insert:

"SECTION 42. IC 20-48-1-4, AS AMENDED BY P.L.38-2021, SECTION 69, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 4. (a) Bonds issued by a school corporation shall be sold:

(1) at a public sale; or

(2) alternatively, at a negotiated sale after June 30, 2018, and before July 1, ~~2023~~: **2025**.

(b) If the bonds are sold at a public sale, the bonds must be sold at:

(1) not less than par value;

(2) a public sale as provided by IC 5-1-11; and

(3) any rate or rates of interest determined by the bidding.

(c) This subsection does not apply to bonds for which a school corporation:

(1) after June 30, 2008, makes a preliminary determination as described in IC 6-1.1-20-3.1 or IC 6-1.1-20-3.5 or a decision as described in IC 6-1.1-20-5; or

(2) in the case of bonds not subject to IC 6-1.1-20-3.1, IC 6-1.1-20-3.5, or IC 6-1.1-20-5, adopts a resolution or ordinance authorizing the bonds after June 30, 2008.

If the net interest cost exceeds eight percent (8%) per year, the bonds must not be issued until the issuance is approved by the department of local government finance."

Page 54, between lines 9 and 10, begin a new paragraph and insert:

"SECTION 45. IC 36-1.5-4-38.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: **Sec. 38.5. (a) This section applies on or after January 1, 2024, and only to the legislative body of a town that has a mayor as a result of a reorganization under this article.**

(b) The town legislative body may hire or contract with competent attorneys and legal research assistants on terms it considers appropriate.

(c) Employment of an attorney under this section does not affect an executive department of law of the town.

(d) Appropriations for salaries of attorneys and legal research assistants employed under this section may not exceed the appropriations for similar salaries in the budget of an executive department of law."

Page 56, between lines 14 and 15, begin a new paragraph and insert:



"SECTION 46. IC 36-2-11-24 IS REPEALED [EFFECTIVE JULY 1, 2023]. ~~Sec. 24. The county recorder shall, on or before the 20th day of each month, furnish the county auditor a list of the mortgage releases recorded during the prior month. The list shall set forth the full name of the mortgagor, the book and page numbers of the original mortgage, the amount being released, and the date of the release.~~

SECTION 47. IC 36-3-5-8, AS AMENDED BY P.L.38-2021, SECTION 81, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 8. (a) This section applies whenever a special taxing district of the consolidated city has the power to issue bonds, notes, or warrants.

(b) Before any bonds, notes, or warrants of a special taxing district may be issued, the issue must be approved by resolution of the legislative body of the consolidated city.

(c) Any bonds of a special taxing district must be issued in the manner prescribed by statute for that district, and the board of the department having jurisdiction over the district shall:

- (1) hold all required hearings;
- (2) adopt all necessary resolutions; and
- (3) appropriate the proceeds of the bonds;

in that manner. However, the legislative body shall levy each year the special tax required to pay the principal of and interest on the bonds and any bank paying charges.

(d) Notwithstanding any other statute, bonds of a special taxing district may:

- (1) be dated;
- (2) be issued in any denomination;
- (3) except as otherwise provided by IC 5-1-14-10, mature at any time or times not exceeding fifty (50) years after their date; and
- (4) be payable at any bank or banks;

as determined by the board. If the bonds are sold at a public sale, the interest rate or rates that the bonds will bear must be determined by bidding, notwithstanding IC 5-1-11-3.

(e) Bonds of a special taxing district are subject to the provisions of IC 5-1 and IC 6-1.1-20 relating to the following:

- (1) The filing of a petition requesting the issuance of bonds and giving notice of the petition.
- (2) The giving of notice of a hearing on the appropriation of the proceeds of bonds.
- (3) The right of taxpayers to appear and be heard on the proposed appropriation.
- (4) The approval of the appropriation by the department of local



government finance.

(5) The right of:

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

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

(6) The sale of bonds at a public sale or at a negotiated sale after June 30, 2018, and before July 1, ~~2023~~: **2025**.

(7) The maximum term or repayment period provided by IC 5-1-14-10."

Page 57, between lines 27 and 28, begin a new paragraph and insert:

"SECTION 48. IC 36-7-14-1.7, AS ADDED BY P.L.95-2022, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2023 (RETROACTIVE)]: Sec. 1.7. Notwithstanding any other law, ~~for~~:

~~(1) areas needing redevelopment;~~

~~(2) redevelopment project areas;~~

~~(3) urban renewal project areas; or~~

~~(4) economic development areas;~~

~~established after December 31, 2021;~~ this chapter does not apply to the part of a participating unit's proceeds of property taxes imposed for an assessment date with respect to which the allocation and distribution is made that are attributable to property taxes imposed to meet the participating unit's obligations to a fire protection territory established under IC 36-8-19 **after December 31, 2022**."

Page 58, between lines 36 and 37, begin a new paragraph and insert:

"SECTION 49. IC 36-7-18-31, AS AMENDED BY P.L.38-2021, SECTION 93, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 31. (a) Issues of bonds, notes, or warrants of a housing authority must be approved by the fiscal body of the unit after a public hearing, with notice of the time, place, and purpose of the hearing given by publication in accordance with IC 5-3-1. The bonds, notes, or warrants must then be authorized by resolution of the authority.

(b) After the bonds, notes, or warrants have been approved under subsection (a), they may be issued in one (1) or more series, with the:

(1) dates;

(2) maturities;

(3) denominations;

(4) form, either coupon or registered;

(5) conversion or registration privileges;



(6) rank or priority;
 (7) manner of execution;
 (8) medium of payment;
 (9) places of payment; and
 (10) terms of redemption, with or without premium;
 provided by the resolution or its trust indenture or mortgage.

(c) The bonds, notes, or warrants shall be sold at a public sale under IC 5-1-11, for not less than par value, after notice published in accordance with IC 5-3-1. However, they may be sold at not less than par value to the federal government:

- (1) at private sale without any public advertisement; or
- (2) alternatively, at a negotiated sale after July 1, 2018, and before June 30, 2023: **2025.**

(d) If any of the commissioners or officers of the housing authority whose signatures appear on any bonds, notes, or warrants or coupons cease to be commissioners or officers before the delivery, exchange, or substitution of the bonds, notes, or warrants, their signatures remain valid and sufficient for all purposes, as if they had remained in office until the delivery, exchange, or substitution.

(e) Subject to provision for registration and notwithstanding any other law, any bonds, notes, or warrants issued under this chapter are fully negotiable.

(f) In any proceedings involving the validity or enforceability of any bond, note, or warrant of a housing authority or of its security, if the instrument states that it has been issued by the authority to aid in financing a housing project to provide dwelling accommodations for persons of low income, it shall be conclusively presumed to have been issued for that purpose and the project shall be conclusively presumed to have been planned, located, and constructed in accordance with this chapter.

SECTION 50. IC 36-7.5-4.5-7, AS ADDED BY P.L.248-2017, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 7. As used in this chapter, "gross retail tax base period amount" means the aggregate amount of state gross retail taxes remitted under IC 6-2.5 by retail merchants for the calendar year ~~that precedes the date on in~~ which the district was established under this chapter as determined by the department.

SECTION 51. IC 36-7.5-4.5-9, AS ADDED BY P.L.248-2017, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 9. **(a)** As used in this chapter, "local income tax base period amount" means the total amount of local income tax (IC 6-3.6) paid by:



(1) employees employed within a district with respect to wages and salary earned for work in the district; **and**

(2) residents living within the district;

for the calendar year ~~that precedes the date on~~ in which the district was established under this chapter as determined by the department.

(b) If an individual is a resident of one (1) district and is employed within another district during a calendar year, the local income tax for the individual shall be attributed to the district in which the individual resides.

SECTION 52. IC 36-7.5-4.5-10, AS ADDED BY P.L.248-2017, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 10. **(a)** As used in this chapter, "local income tax increment revenue" means the remainder of:

(1) the total amount of local income tax (IC 6-3.6) paid by:

(A) employees employed in the district with respect to wages and salary earned for work in the territory comprising the district for a particular calendar year; ~~minus and~~

(B) residents living within the district;

minus;

(2) the local income tax base period amount;

as determined by the department.

(b) If an individual is a resident of one (1) district and is employed within another district during a calendar year, the local income tax for the individual shall be attributed to the district in which the individual resides.

SECTION 53. IC 36-7.5-4.5-13, AS ADDED BY P.L.248-2017, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 13. **(a)** As used in this chapter, "state income tax base period amount" means the aggregate amount of state adjusted gross income taxes paid or remitted by or on behalf of:

(1) employees employed within a district ~~during the calendar year that precedes the date on which the district was established under this chapter~~ with respect to wages and salary earned for work in the territory comprising the district; as determined by the department: ~~with respect to wages and salary earned for work in the district; and~~

(2) residents living within the district;

for the calendar year in which the district was established under this chapter, as determined by the department.

(b) If an individual is a resident of one (1) district and is employed within another district during a calendar year, the state income tax for the individual shall be attributed to the district in



which the individual resides.

SECTION 54. IC 36-7.5-4.5-14, AS ADDED BY P.L.248-2017, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 14. **(a)** As used in this chapter, "state income tax increment revenue" means the remainder of:

(1) the aggregate amount of state adjusted gross income taxes paid or remitted ~~during~~ **for** a calendar year with respect to:

(A) wages and salary earned for work in the territory comprising a district; ~~minus and~~

(B) income earned by residents living within the district; minus;

(2) the state income tax base period amount.

(b) If an individual is a resident of one (1) district and is employed within another district during a calendar year, the state income tax for the individual shall be attributed to the district in which the individual resides.

SECTION 55. IC 36-7.5-4.5-27, AS ADDED BY P.L.248-2017, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 27. (a) If a district is established, the treasurer of state shall establish a local income tax increment fund and an account for each district established under this chapter for deposit of local income tax increment revenue for that district.

(b) The funds shall be administered by the treasurer of state. Money in a fund does not revert to the state general fund at the end of a state fiscal year.

(c) The total amount of local income tax (IC 6-3.6) paid by:

(1) employees employed in a district with respect to wages earned for work performed in the district; **and**

(2) residents living in the district;

shall be deposited in the district's account within the local income tax increment fund. **If an individual is a resident of one (1) district and is employed within another district during a calendar year, the local income tax for the individual shall be attributed to the district in which the individual resides.** For each district, the budget agency shall determine and transfer to the appropriate county account under IC 6-3.6-9 an amount equal to the local income tax base period amount for the district.

(d) The budget agency shall determine and transfer any amount of the local income tax increment revenue that will not be disbursed to the development authority or redevelopment commission to the appropriate county account under IC 6-3.6-9.

SECTION 56. IC 36-7.5-4.5-28, AS ADDED BY P.L.248-2017,



SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 28. (a) Not later than ~~sixty (60) days after receiving a copy of the resolution establishing a district, the later of~~ **November 30 of the year following the establishment of a district under this chapter or November 30, 2024, except as provided in subsection (g),** the department shall determine the following for that district:

- (1) The state income tax base period amount.
- (2) The gross retail tax base period amount.
- (3) The local income tax base period amount.

(b) Before ~~October~~ **December 1** of each year, beginning ~~in 2018,~~ **two years after the establishment of the district under this chapter,** the department shall determine the following for each district for the preceding calendar year:

- (1) The state income tax increment revenue.
- (2) The gross retail tax increment revenue.
- (3) The local income tax increment revenue.

(c) The department shall notify the budget agency and the development authority of each base period amount and annually each increment revenue amount.

(d) Before ~~November 1~~ **December 15** of each calendar year, the department shall determine and certify to the Indiana finance authority and the development authority the following:

- (1) The state income tax increment revenue.
- (2) The gross retail tax increment revenue.
- (3) The local income tax increment revenue for each district.
- (4) The extent to which the sum of the state income tax increment revenue and gross retail tax increment revenue certified under this subsection for all districts exceeds the sum of the amounts previously appropriated by the general assembly to the development authority for rail projects (including any amounts appropriated for debt service payments made by the Indiana finance authority for a rail project).

(e) Beginning in the following calendar year, the auditor of state shall distribute from a district's account within the local income tax increment fund to the development authority or redevelopment commission, in the case of a district located in a cash participant county, on or before ~~the twentieth day of each month one-twelfth (1/12)~~ **of March 1** the lesser of:

- (1) the amount of local income tax increment revenue specified by the development authority or redevelopment commission; or
- (2) the certified local income tax increment revenue amount for



that district.

(f) The development authority or redevelopment commission shall deposit the local income tax increment revenue it receives in the appropriate district account in the south shore improvement and development fund.

(g) If the department determines that an amount determined under section 7, 8, 9, 10, 13, or 14 of this chapter is in error, the department shall redetermine any erroneous amounts and notify the budget agency and development authority of any redetermination. In addition, if the department determines that the redetermination of an amount affects incremental tax amounts determined under subsection (b), the department shall recompute the incremental tax amounts and make any necessary adjustments to distributions or computations to reflect any redetermination.

SECTION 57. IC 36-8-11-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 12. **(a) This section does not apply to the appointment of a governing board under section 12.5 of this chapter.**

~~(a)~~ **(b)** Within thirty (30) days after the ordinance or resolution establishing the district becomes final, the county legislative body shall appoint a board of fire trustees. The trustees must be qualified by knowledge and experience in matters pertaining to fire protection and related activities in the district. A person who:

- (1) is a party to a contract with the district; or
- (2) is a member, an employee, a director, or a shareholder of any corporation or association that has a contract with the district;

may not be appointed or serve as a trustee. The legislative body shall appoint one (1) trustee from each township or part of a township contained in the district and one (1) trustee from each municipality contained in the district. If the number of trustees selected by this method is an even number, the legislative body shall appoint one (1) additional trustee so that the number of trustees is always an odd number. If the requirements of this section do not provide at least three (3) trustees, the legislative body shall make additional appointments so that there is a minimum of three (3) trustees.

~~(b)~~ **(c)** The original trustees shall be appointed as follows:

- (1) One (1) for a term of one (1) year.
- (2) One (1) for a term of two (2) years.
- (3) One (1) for a term of three (3) years.
- (4) All others for a term of four (4) years.

The terms expire on the first Monday of January of the year their appointments expire. As the terms expire, each new appointment is for



a term of four (4) years.

~~(c)~~ **(d)** If a vacancy occurs on the board, the county legislative body shall appoint a trustee with the qualifications specified in subsection ~~(a)~~ **(b)** for the unexpired term.

SECTION 58. IC 36-8-11-12.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: **Sec. 12.5. (a) This section applies only to a county for which a fire protection district includes all of the incorporated and unincorporated area of the county.**

(b) The county legislative body may adopt an ordinance to establish a nine (9) member governing board for the fire protection district. The ordinance must provide that the governing board consists of the following:

(1) Eight (8) governing board members appointed by the county legislative body who meet the following requirements:

(A) Each governing board member must be an active member of the board of fire trustees at the time of appointment to the governing board. Upon appointment to the governing board, the individual ceases to be a member of the board of fire trustees.

(B) Two (2) governing board members must reside in each of the following four (4) geographic areas of the county that contain as nearly as possible, equal area in square miles:

- (i) Northwest.**
- (ii) Northeast.**
- (iii) Southwest.**
- (iv) Southeast.**

(2) One (1) governing board member who is a member of the county executive and serves on the board by virtue of their office. Notwithstanding section 14(c) of this chapter, the member may not receive any compensation for serving on the governing board but may be compensated for expenses.

(c) Beginning on the date specified in the ordinance establishing the governing board, the following occurs:

(1) Only the governing board shall have the powers and duties of a board of fire trustees that are set forth in section 15 of this chapter or in any other statute. Unless expressly provided otherwise, any reference in this chapter or other statute to a board of fire trustees or a member of the board of fire trustees is a reference to the governing board or a member of the governing board.



(2) The board of fire trustees:

(A) continues in existence solely as an advisory body to the governing board; and

(B) does not have any of the powers and duties of a board of fire trustees that are set forth in section 15 of this chapter or in any other statute.

Sections 12, 13, and 14 of this chapter continue to apply to the administration of the board of fire trustees.

(d) Except as provided in subsection (e), the term of a member appointed to the governing board is four (4) years. The terms expire on the first Monday of January of the year their appointments expire.

(e) The county legislative body may provide, in the ordinance establishing the governing board, for the staggering of the terms of the original governing board members appointed under subsection (b)(1).

(f) If a vacancy occurs on the governing board, the county legislative body shall appoint a member with the qualifications set forth in this section for the unexpired term.

SECTION 59. IC 36-8-11-15, AS AMENDED BY P.L.127-2017, SECTION 270, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 15. (a) The board:

(1) has the same powers and duties as a township executive with respect to fire protection functions, including those duties and powers prescribed by IC 36-8-13, although all cooperative and joint actions permitted by that chapter must be undertaken according to this chapter;

(2) has the same powers and duties as a township executive relative to contracting with volunteer firefighting companies, as prescribed by IC 36-8-12 and IC 36-8-13;

(3) shall appoint, fix the compensation, and prescribe the duties of a fiscal officer, secretarial staff, persons performing special and temporary services or providing legal counsel, and other personnel considered necessary for the proper functioning of the district; however, a person appointed as fiscal officer must be bonded by good and sufficient sureties in an amount ordered by the county legislative body to protect the district from financial loss;

(4) shall exercise general supervision of and make regulations for the administration of the district's affairs;

(5) shall prescribe uniform rules pertaining to investigations and hearings;



(6) shall supervise the fiscal affairs and responsibilities of the district;

(7) may delegate to employees of the district the authority to perform ministerial acts, except in cases in which final action of the board is necessary;

(8) shall keep accurate and complete records of all departmental proceedings, record and file all bonds and contracts, and assume responsibility for the custody and preservation of all papers and documents of the district;

(9) shall make an annual report to the executive and the fiscal body of the county that at least lists the financial transactions of the district and a statement of the progress in accomplishing the purposes for which the district has been established;

(10) shall adopt a seal and certify all official acts;

(11) may sue and be sued collectively by its legal name:

(A) ("Board of Fire Trustees, _____ Fire Protection District"); **or**

(B) ("Governing Board of _____ Fire Protection District"), **if a governing board for the district is appointed under section 12.5 of this chapter;**

with service of process made on the chair of the board, but costs may not be taxed against the members individually in an action;

(12) may invoke any legal, equitable, or special remedy for the enforcement of this chapter or of proper action of the board taken in a court;

(13) shall prepare and submit to the fiscal body of the county an annual budget for operation and maintenance expenses and for the retirement of obligations of the district, subject to review and approval by the fiscal body;

(14) may, if advisable, establish one (1) or more advisory committees, **however in a county that adopts an ordinance under section 12.5 of this chapter, the board of fire trustees shall be an advisory body to the governing board;**

(15) may enter into agreements with and accept money from a federal or state agency and enter into agreements with a municipality located within or outside the district, whether or not the municipality is a part of the district, for a purpose compatible with the purposes for which the district exists and with the interests of the municipality;

(16) may accept gifts of money or other property to be used for the purposes for which the district is established;

(17) may levy taxes at a uniform rate on the real and personal



- property within the district;
- (18) may issue bonds and tax anticipation warrants;
- (19) may incur other debts and liabilities;
- (20) may purchase or rent property;
- (21) may sell services or property that are produced incident to the operations of the district making a fair and reasonable charge for it;
- (22) may make contracts or otherwise enter into agreements with public or private persons and federal or state agencies for construction, maintenance, or operations of or in part of the district;
- (23) may receive and disburse money; and
- (24) may impose a false alarm fee or service charge under IC 36-8-13-4.

(b) Powers granted by this chapter may be used only to accomplish the purpose or purposes as stated in the ordinance or resolution establishing the district. However, an act of the board necessary and proper to accomplish the purposes for which the district is established is not invalid because it incidentally accomplishes a purpose other than one for which the district is established."

Page 68, line 41, delete "IC 36-8-19-17" and insert "IC 36-8-19-16.5".

Page 69, line 1, delete "17." and insert "16.5".

Page 69, between lines 39 and 40, begin a new paragraph and insert:
 "SECTION 58. IC 36-10-3-24, AS AMENDED BY P.L.38-2021, SECTION 104, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 24. (a) In order to raise money to pay for land to be acquired for any of the purposes named in this chapter, to pay for an improvement authorized by this chapter, or both, and in anticipation of the special benefit tax to be levied as provided in this chapter, the board shall cause to be issued, in the name of the unit, the bonds of the district. The bonds may not exceed in amount the total cost of all land to be acquired and all improvements described in the resolution, including all expenses necessarily incurred in connection with the proceedings, together with a sum sufficient to pay the costs of supervision and inspection during the period of construction of a work. The expenses to be covered in the bond issue include all expenses of every kind actually incurred preliminary to acquiring the land and the construction of the work, such as the cost of the necessary record, engineering expenses, publication of notices, preparation of bonds, and other necessary expenses. If more than one (1) resolution or proceeding of the board under section 23 of this chapter is confirmed whereby



different parcels of land are to be acquired, or more than one (1) contract for work is let by the board at approximately the same time, the cost involved under all of the resolutions and proceedings may be included in one (1) issue of bonds.

(b) The bonds may be issued in any denomination not less than one thousand dollars (\$1,000) each, in not less than five (5) nor more than forty (40) annual series. The bonds are payable one (1) series each year, beginning at a date after the receipt of taxes from a levy made for that purpose. The bonds are negotiable. The bonds may bear interest at any rate, payable semiannually. After adopting a resolution ordering bonds, the board shall certify a copy of the resolution to the unit's fiscal officer. The fiscal officer shall prepare the bonds, and the unit's executive shall execute them, attested by the fiscal officer.

(c) The bonds and the interest on them are exempt from taxation as prescribed by IC 6-8-5-1. Bonds issued under this section are subject to the provisions of IC 5-1 and IC 6-1.1-20 relating to:

- (1) the filing of a petition requesting the issuance of bonds;
- (2) the right of:
 - (A) taxpayers and voters to remonstrate against the issuance of bonds in the case of a proposed bond issue described by IC 6-1.1-20-3.1(a); or
 - (B) voters to vote on the issuance of bonds in the case of a proposed bond issue described by IC 6-1.1-20-3.5(a);
- (3) the appropriation of the proceeds of the bonds and approval by the department of local government finance; and
- (4) the sale of bonds at:
 - (A) a public sale for not less than their par value; or
 - (B) a negotiated sale after June 30, 2018, and before July 1, ~~2023~~ **2025**.

(d) The board may not have bonds of the district issued under this section that are payable by special taxation when the total issue for that purpose, including the bonds already issued or to be issued, exceeds two percent (2%) of the adjusted value of the taxable property in the district as determined under IC 36-1-15. All bonds or obligations issued in violation of this subsection are void. The bonds are not obligations or indebtedness of the unit, but constitute an indebtedness of the district as a special taxing district. The bonds and interest are payable only out of a special tax levied upon all the property of the district as prescribed by this chapter. The bonds must recite the terms upon their face, together with the purposes for which they are issued.

SECTION 59. IC 36-10-8-16, AS AMENDED BY P.L.38-2021, SECTION 105, IS AMENDED TO READ AS FOLLOWS

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[EFFECTIVE JULY 1, 2023]: Sec. 16. (a) A capital improvement may be financed in whole or in part by the issuance of general obligation bonds of the county or, if the board was created under IC 18-7-18 (before its repeal on February 24, 1982), also of the city, if the board determines that the estimated annual net income of the capital improvement, plus the estimated annual tax revenues to be derived from any tax revenues made available for this purpose, will not be sufficient to satisfy and pay the principal of and interest on all bonds issued under this chapter, including the bonds then proposed to be issued.

(b) If the board desires to finance a capital improvement in whole or in part as provided in this section, it shall have prepared a resolution to be adopted by the county executive authorizing the issuance of general obligation bonds, or, if the board was created under IC 18-7-18 (before its repeal on February 24, 1982), by the fiscal body of the city authorizing the issuance of general obligation bonds. The resolution must set forth an itemization of the funds and assets received by the board, together with the board's valuation and certification of the cost. The resolution must state the date or dates on which the principal of the bonds is payable, the maximum interest rate to be paid, and the other terms upon which the bonds shall be issued. The board shall submit the proposed resolution to the proper officers, together with a certificate to the effect that the issuance of bonds in accordance with the resolution will be in compliance with this section. The certificate must also state the estimated annual net income of the capital improvement to be financed by the bonds, the estimated annual tax revenues, and the maximum amount payable in any year as principal and interest on the bonds issued under this chapter, including the bonds proposed to be issued, at the maximum interest rate set forth in the resolution. The bonds issued may mature over a period not exceeding forty (40) years from the date of issue.

(c) Upon receipt of the resolution and certificate, the proper officers may adopt them and take all action necessary to issue the bonds in accordance with the resolution. An action to contest the validity of bonds issued under this section and sold at a public sale may not be brought after the fifteenth day following the receipt of bids for the bonds.

(d) The provisions of all general statutes relating to:

- (1) the filing of a petition requesting the issuance of bonds and giving notice;
- (2) the right of:
 - (A) taxpayers and voters to remonstrate against the issuance of



bonds in the case of a proposed bond issue described by IC 6-1.1-20-3.1(a); or

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

(3) the giving of notice of the determination to issue bonds;

(4) the giving of notice of a hearing on the appropriation of the proceeds of bonds;

(5) the right of taxpayers to appear and be heard on the proposed appropriation;

(6) the approval of the appropriation by the department of local government finance; and

(7) the sale of bonds at a public sale or at a negotiated sale after June 30, 2018, and before July 1, ~~2023~~; **2025**;

apply to the issuance of bonds under this section.

SECTION 60. IC 36-10-9-15, AS AMENDED BY P.L.38-2021, SECTION 106, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 15. (a) A capital improvement may be financed in whole or in part by the issuance of general obligation bonds of the county.

(b) If the board desires to finance a capital improvement in whole or in part as provided in this section, it shall have prepared a resolution to be adopted by the board of commissioners of the county authorizing the issuance of general obligation bonds. The resolution must state the date or dates on which the principal of the bonds is payable, the maximum interest rate to be paid, and the other terms upon which the bonds shall be issued. The board shall submit the proposed resolution to the city-county legislative body for approval under IC 36-3-6-9, together with a certificate to the effect that the issuance of bonds in accordance with the resolution will be in compliance with this section. The certificate must also state the estimated annual net income of the capital improvement to be financed by the bonds, the estimated annual tax revenues, and the maximum amount payable in any year as principal and interest on the bonds issued under this chapter, including the bonds proposed to be issued, at the maximum interest rate set forth in the resolution. The bonds issued may mature over a period not exceeding forty (40) years from the date of issue.

(c) If the city-county legislative body approves the issuance of bonds under IC 36-3-6-9, the board shall submit the resolution to the executive of the consolidated city, who shall review the resolution. If the executive approves the resolution, the board shall take all action necessary to issue the bonds in accordance with the resolution. An action to contest the validity of bonds issued under this section and sold



at a public sale may not be brought after the fifteenth day following the receipt of bids for the bonds.

(d) The provisions of all general statutes relating to:

(1) the filing of a petition requesting the issuance of bonds and giving notice;

(2) the right of:

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

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

(3) the giving of notice of the determination to issue bonds;

(4) the giving of notice of a hearing on the appropriation of the proceeds of bonds;

(5) the right of taxpayers to appear and be heard on the proposed appropriation;

(6) the approval of the appropriation by the department of local government finance; and

(7) the sale of bonds at a public sale for not less than par value or at a negotiated sale after June 30, 2018, and before July 1, ~~2023~~;

2025;

are applicable to the issuance of bonds under this section.

SECTION 61. IC 36-10-10-20, AS AMENDED BY P.L.38-2021, SECTION 108, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 20. (a) The bonds shall be executed by the president of the board, and the corporate seal of the authority shall be affixed and attested by the secretary of the board. The interest coupons attached to the bonds shall be executed by placing the facsimile signature of the treasurer on them. The bonds shall be sold by the board:

(1) at a public sale for not less than the par value; or

(2) alternatively, at a negotiated sale after June 30, 2018, and before July 1, ~~2023~~; **2025**.

Notice of sale shall be published in accordance with IC 5-3-1.

(b) If the bonds are sold at a public sale, the board shall award the bonds to the highest bidder as determined by computing the total interest on the bonds from the date of issue to the dates of maturity and deducting the premium bid, if any, unless the board determines that no acceptable bid has been received. In that case the sale may be continued from day to day, not to exceed thirty (30) days. A bid may not be accepted that is lower than the highest bid received at the time fixed for sale in the bond sale notice.



(c) Any premium received from the sale of the bonds shall be used solely for the payment of principal and interest on the bonds. The board may also issue refunding bonds under IC 5-1-5.

SECTION 62. IC 36-10-11-21, AS AMENDED BY P.L.38-2021, SECTION 110, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 21. (a) The bonds shall be executed by the president of the board, and the corporate seal of the authority shall be affixed and attested by the secretary of the board. The interest coupons attached to the bonds shall be executed by placing the facsimile signature of the treasurer on them. The bonds shall be sold by the board:

- (1) at public sale for not less than the par value; or
- (2) alternatively, at a negotiated sale after June 30, 2018, and before July 1, ~~2023~~: **2025**.

Notice of sale shall be published in accordance with IC 5-3-1.

(b) If the bonds are sold at a public sale, the board shall award the bonds to the highest bidder as determined by computing the total interest on the bonds from the date of issue to the dates of maturity and deducting the premium bid, if any. If the bonds are not sold on the date fixed for the sale, the sale may be continued from day to day until a satisfactory bid has been received.

(c) Any premium received from the sale of the bonds shall be used solely for the payment of principal and interest on the bonds.

(d) Before the preparation of definitive bonds, temporary bonds may under like restrictions be issued with or without coupons, exchangeable for definitive bonds upon the issuance of the latter. The total amount of bonds issued by the authority under this section, when added to any loan or loans negotiated under section 22 of this chapter, may not exceed three million dollars (\$3,000,000)."

Page 69, delete lines 40 through 42, begin a new paragraph and insert:

"SECTION 63. P.L.1-2023, SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2022 (RETROACTIVE)]: SECTION 21. (a) This SECTION applies to the election and imposition of the pass through entity tax pursuant to IC 6-3-2.1, as added by this act, for tax years ending before January 1, 2023.

(b) For the applicable period, the tax shall be paid and filed in conjunction with and consistent with the filing of a composite tax return pursuant to IC 6-3-4-12 or IC 6-3-4-13.

(c) Notwithstanding any other provision, no estimated payments shall be due for the applicable period other than any such payment that



is currently required for purposes of withholding tax pursuant to IC 6-3-4-12 or IC 6-3-4-13.

(d) All provisions of IC 6-3-2.1, as added by this act, shall apply to the applicable period unless any such provision is inconsistent with the provisions and procedures applicable to the filing of composite returns pursuant to IC 6-3-4-12 or IC 6-3-4-13.

~~(e) A pass through entity that elects to pay the tax imposed by IC 6-3-2.1, as added by this act, for the applicable period will not be subject to an underpayment penalty pursuant to IC 6-8.1-10-2.1(a)(2) for failure to pay any tax due pursuant to IC 6-3-2.1, as added by this act, for any such tax not remitted as of the due date of the return, including extensions. This provision does not waive any interest due on such amounts pursuant to IC 6-8.1-10-1.~~

~~(f)~~ (e) Notwithstanding any provision to the contrary in IC 6-8.1-10-1 or IC 6-8.1-10-2.1, if the tax under IC 6-3-2.1, as added by this act, is due before August 31, 2024, interest and penalty for late payment of the tax shall be waived for the period from the due date to August 30, 2024. Interest and penalty shall be due on any amounts unpaid after August 30, 2024, in the manner otherwise provided by law."

Page 70, delete lines 1 through 13.

Page 70, between lines 17 and 18, begin a new paragraph and insert:
"SECTION 64. [EFFECTIVE UPON PASSAGE] (a) **IC 6-1.1-20.6-7.5(a)(3) and IC 6-3.6-5-6(d)(2), both as amended by this act, and IC 6-1.1-20.6-7.5(a)(5), as added by this act, apply to property taxes first due and payable after December 31, 2022.**

(b) This SECTION expires July 1, 2026.

SECTION 65. [EFFECTIVE JANUARY 1, 2024] (a) **IC 6-7-2-7, as amended by this act, applies to taxable years beginning after December 31, 2023.**

(b) This SECTION expires July 1, 2026.

SECTION 66. [EFFECTIVE JULY 1, 2023] (a) **The legislative services agency shall prepare legislation for introduction in the 2024 regular session of the general assembly to make any necessary amendments to the Indiana Code to conform to the amendments to IC 36-8-11 made by this act.**

(b) This SECTION expires July 1, 2024.

SECTION 67. [EFFECTIVE JANUARY 1, 2019 (RETROACTIVE)] (a) **This SECTION applies notwithstanding IC 6-1.1-10, IC 6-1.1-11, or any other law or administrative rule or provision.**

(b) This SECTION applies to assessment dates after December



31, 2018, and before January 1, 2024.

(c) As used in this SECTION, "eligible property" means any tangible property:

(1) that is owned and used by:

(A) a nonprofit entity; or

(B) a hospital licensed under IC 16-21;

for one (1) or more of the purposes described in IC 6-1.1-10-16(q), as added by this act, or IC 6-1.1-10-18.5, as amended by this act;

(2) on which property taxes were imposed for the 2019, 2020, 2021, 2022, and 2023 assessment dates; and

(3) that would have been eligible for an exemption under IC 6-1.1-10-16(q), as added by this act, or IC 6-1.1-10-18.5, as amended by this act, for the 2019, 2020, 2021, 2022, and 2023 assessment dates if an exemption application had been properly and timely filed under IC 6-1.1 for the property.

(d) Before September 1, 2023, the owner of eligible property may file a property tax exemption application and supporting documents claiming a property tax exemption under this SECTION for the eligible property for the 2019, 2020, 2021, 2022, and 2023 assessment dates.

(e) A property tax exemption application filed as provided in subsection (d) is considered to have been properly and timely filed for each assessment date.

(f) The following apply if the owner of eligible property files a property tax exemption application as provided in subsection (d):

(1) The property tax exemption for the eligible property shall be allowed and granted for the applicable assessment date by the county assessor and county auditor of the county in which the eligible property is located.

(2) The owner of the eligible property is not required to pay any property taxes, penalties, or interest with respect to the eligible property for the applicable assessment date.

(g) The exemption allowed by this SECTION shall be applied without the need for any further ruling or action by the county assessor, the county auditor, or the county property tax assessment board of appeals of the county in which the eligible property is located or by the Indiana board of tax review.

(h) To the extent the owner of the eligible property has paid any property taxes, penalties, or interest with respect to the eligible property for an applicable date and to the extent that the eligible property is exempt from taxation as provided in this SECTION,



the owner of the eligible property is entitled to a refund of the amounts paid. The owner is not entitled to any interest on the refund under IC 6-1.1 or any other law to the extent interest has not been paid by or on behalf of the owner. Notwithstanding the filing deadlines for a claim under IC 6-1.1-26, any claim for a refund filed by the owner of eligible property under this SECTION before September 1, 2023, is considered timely filed. The county auditor shall pay the refund due under this SECTION in one (1) installment.

(i) This SECTION expires June 30, 2024."

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to HB 1454 as printed February 9, 2023.)

HOLDMAN, Chairperson

Committee Vote: Yeas 11, Nays 1.

SENATE MOTION

Madam President: I move that Engrossed House Bill 1454 be amended to read as follows:

Replace the effective date in SECTION 16 with "[EFFECTIVE JANUARY 1, 2024]".

Page 18, delete lines 12 through 41.

Page 144, line 40, delete "2022." and insert "**2023.**".

Page 145, delete lines 10 through 42, begin a new paragraph and insert:

"SECTION 115. [EFFECTIVE JANUARY 1, 2024] (a) IC 6-1.1-10-16, as amended by this act, applies to assessment dates beginning after December 31, 2023.

(b) This SECTION expires January 1, 2028."

Page 146, delete lines 1 through 24.

Renumber all SECTIONS consecutively.

(Reference is to EHB 1454 as printed April 5, 2023.)

BASSLER



SENATE MOTION

Madam President: I move that Engrossed House Bill 1454 be amended to read as follows:

Page 120, line 33, delete "district;" and insert "**district; minus**".

Page 120, delete line 34.

Page 121, line 25, delete "district;" and insert "**district; minus**".

Page 121, delete line 26.

Page 121, delete lines 32 through 42, begin a new paragraph and insert:

"SECTION 11. IC 36-7.5-4.5-27, AS ADDED BY P.L.248-2017, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 27. (a) If a district is established, the treasurer of state shall establish a local income tax increment fund and an account for each district established under this chapter for deposit of local income tax increment revenue for that district.

(b) The funds shall be administered by the treasurer of state. Money in a fund does not revert to the state general fund at the end of a state fiscal year.

(c) The total amount of local income tax (IC 6-3.6) paid by:

(1) employees employed in a district with respect to wages earned for work performed in the district; **and**

(2) **residents living in the district;**

shall be deposited in the district's account within the local income tax increment fund. **If an individual is a resident of one (1) district and is employed within another district, only the local income tax for the district in which the individual resides shall be deposited into the local income tax increment fund.** For each district, the budget agency shall determine and transfer to the appropriate county account under IC 6-3.6-9 an amount equal to the local income tax base period amount for the district.

(d) The budget agency shall determine and transfer any amount of the local income tax increment revenue that will not be disbursed to the development authority or redevelopment commission to the appropriate county account under IC 6-3.6-9.

SECTION 12. IC 36-7.5-4.5-28, AS ADDED BY P.L.248-2017, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 28. (a) Not later than ~~sixty (60) days after receiving a copy of the resolution establishing a DISTRICT~~, **November 30 of the year following the establishment of a district under this chapter, or November 30, 2024, whichever is later**, the department shall determine the following for that district:

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- (1) The state income tax base period amount.
 - (2) The gross retail tax base period amount.
 - (3) The local income tax base period amount.
- (b) Before ~~October 1~~ **December 1** of each year, beginning in ~~2018,~~
the year two (2) years following the establishment of the district under this chapter, the department shall determine the following for each district for the preceding calendar year:
- (1) The state income tax increment revenue.
 - (2) The gross retail tax increment revenue.
 - (3) The local income tax increment revenue.
- (c) The department shall notify the budget agency and the development authority of each base period amount and annually each increment revenue amount.
- (d) Before ~~November 1~~ **December 15** of each calendar year, the department shall determine and certify to the Indiana finance authority and the development authority the following:
- (1) The state income tax increment revenue.
 - (2) The gross retail tax increment revenue.
 - (3) The local income tax increment revenue for each district.
 - (4) The extent to which the sum of the state income tax increment revenue and gross retail tax increment revenue certified under this subsection for all districts exceeds the sum of the amounts previously appropriated by the general assembly to the development authority for rail projects (including any amounts appropriated for debt service payments made by the Indiana finance authority for a rail project).
- (e) Beginning in the following calendar year, the auditor of state shall distribute from a district's account within the local income tax increment fund to the development authority or redevelopment commission, in the case of a district located in a cash participant county, on or before ~~the twentieth day of each month one-twelfth (1/12)~~
of March 1, the lesser of:
- (1) the amount of local income tax increment revenue specified by the development authority or redevelopment commission; or
 - (2) the certified local income tax increment revenue amount for that district.
- (f) The development authority or redevelopment commission shall deposit the local income tax increment revenue it receives in the appropriate district account in the south shore improvement and development fund.
- (g) **Notwithstanding subsection (a), if the department determines that an amount determined under section 7, 8, 9, 10, 13,**



or 14 of this chapter is in error, the department shall redetermine any erroneous amounts and notify the budget agency and development authority of any redetermination. If the department determines that the redetermination of an amount affects incremental tax amounts determined under subsection (b), the department shall recompute the incremental tax amounts and make any necessary adjustments to distributions or computations to reflect any redetermination.

(h) A municipality that includes more than one (1) transit development district may share its increment revenue among the transit development districts upon approval of the legislative body of the municipality."

Delete page 122.

Page 123, delete lines 1 through 29.

Re-number all SECTIONS consecutively.

(Reference is to EHB 1454 as printed April 5, 2023.)

BASSLER

SENATE MOTION

Madam President: I move that Engrossed House Bill 1454 be amended to read as follows:

Page 30, delete lines 19 through 42.

Delete pages 31 through 34.

Page 35, delete lines 1 through 27, begin a new paragraph and insert:

"SECTION 22. IC 6-1.1-15-1.2, AS AMENDED BY P.L.121-2019, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 1.2. (a) A county or township official who receives a written notice under section 1.1 of this chapter shall schedule, at a time during business hours that is convenient to the taxpayer, a preliminary informal meeting with the taxpayer in order to resolve the appeal. If the taxpayer raises a claim regarding a matter that is in the discretion of the county auditor, the informal meeting must include the county auditor. At the preliminary informal meeting, in order to facilitate understanding and the resolution of disputed issues, a county or township official, the county auditor, if the matter is in the discretion of the county auditor, and the taxpayer shall exchange the information that each party is relying on at the time of the preliminary informal meeting to support the party's respective position on each

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disputed issue concerning the assessment or deduction. If additional information is obtained by the county or township official, the county auditor, or the taxpayer after the preliminary informal meeting and before the hearing held by the county board, the party obtaining the information shall provide the information to the other party. If the county or township official, the county auditor, or the taxpayer obtains additional information and provides the information to the other party for the first time at the hearing held by the county board, the county board, unless waived by the receiving party, shall continue the hearing until a future hearing date of the county board so that the receiving party has an opportunity to review all the information that the offering party is relying on to support the offering party's positions on the disputed issues concerning the assessment or deduction.

(b) The official shall report on a form prescribed by the department of local government finance the results of the informal meeting. If the taxpayer and the official agree on the resolution of all issues in the appeal, the report shall state the agreed resolution of the matter and be signed by the official and the taxpayer. If an informal meeting is not held, or the informal meeting is unsuccessful, the official shall report those facts on the form. The official shall forward the report on the informal meeting to the county board.

(c) If the county board receives a report on the informal meeting indicating an agreed resolution of the matter, the county board shall vote to accept or deny the agreed resolution. If the county board accepts the agreed resolution, the county board shall issue a notification of final assessment determination adopting the agreed resolution and vacating the hearing if scheduled.

(d) The county board, upon receipt of a written notice under section 1.1 of this chapter, shall hold a hearing on the appeal not later than one hundred eighty (180) days after the filing date of the written notice. The county board shall, by mail, give at least thirty (30) days notice of the date, time, and place fixed for the hearing to the taxpayer, the county or township official with whom the taxpayer filed the written notice, and the county auditor. If the county board has notice that the taxpayer is represented by a third person, any hearing notice shall be mailed to the representative.

(e) If good cause is shown, the county board shall grant a request for continuance filed in writing at least ten (10) days before the hearing, and reschedule the hearing under subsection (d).

(f) A taxpayer may withdraw an appeal by filing a written request at least ten (10) days before the hearing. The county board shall issue a notification of final assessment determination indicating the



withdrawal and no change in the assessment. A withdrawal waives a taxpayer's right to appeal to the Indiana board.

(g) The county board shall determine an appeal without a hearing if requested by the taxpayer in writing at least twenty (20) days before the hearing.

(h) If a taxpayer appeals the assessment of tangible property under section 1.1 of this chapter, the taxpayer is not required to have an appraisal of the property in order to initiate the appeal or prosecute the appeal.

(i) At a hearing under subsection (d), the taxpayer shall have the opportunity to present testimony and evidence regarding the matters on appeal. If the matters on appeal are in the discretion of the county auditor, the county auditor or the county auditor's representative shall attend the hearing. A county or township official, or the county auditor or the county auditor's representative, shall have an opportunity to present testimony and evidence regarding the matters on appeal. The county board may adjourn and continue the hearing to a later date in order to make a physical inspection or consider the evidence presented.

(j) The county board shall determine the assessment by motion and majority vote. **Except as provided in subsection (m),** a county board may, based on the evidence before it, increase an assessment. The county board shall issue a written decision. Written notice of the decision shall be given to the township official, county official, county auditor, and the taxpayer.

(k) If more than one hundred eighty (180) days have passed since the date the notice of appeal was filed, and the county board has not issued a determination, a taxpayer may initiate any appeal with the Indiana board of tax review under section 3 of this chapter.

(l) The county assessor may assess a penalty of fifty dollars (\$50) against the taxpayer if the taxpayer or representative fails to appear at a hearing under subsection (d) and, under subsection (e), the taxpayer's request for continuance is denied, or the taxpayer's request for continuance, request for the board to take action without a hearing, or withdrawal is not timely filed. A taxpayer may appeal the assessment of the penalty to the Indiana board or directly to the tax court. The penalty may not be added as an amount owed on the property tax statement under IC 6-1.1-22 or IC 6-1.1-22.5.

(m) This subsection applies only to the determination of an appealed assessed value of:

(1) a taxpayer's tangible property that has been granted a standard deduction under IC 6-1.1-12-37, without regard to the tangible property's appealed assessed value; or



(2) any other tangible property with an appealed assessed value that is not more than two million dollars (\$2,000,000) and is not otherwise described in subdivision (1).

The determination of an appealed assessed value of tangible property to which this subsection applies by a county or township official resulting from an informal meeting under subsection (a), or by a county board resulting from an appeal hearing under subsection (d), may be less than or equal to the tangible property's original appealed assessed value at issue, but may not exceed the original appealed assessed value at issue.

SECTION 23. IC 6-1.1-15-4, AS AMENDED BY P.L.156-2020, SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 4. (a) After receiving a petition for review which is filed under section 3 of this chapter, the Indiana board shall conduct a hearing at its earliest opportunity. The Indiana board may correct any errors related to a claim under section 1.1 of this chapter that is within the jurisdiction of the Indiana board under IC 6-1.5-4-1.

(b) If the Indiana board conducts a site inspection of the property as part of its review of the petition, the Indiana board shall give notice to all parties of the date and time of the site inspection. The Indiana board is not required to assess the property in question. The Indiana board shall give notice of the date fixed for the hearing, by mail, to the parties or a party's representative. The Indiana board shall give these notices at least thirty (30) days before the day fixed for the hearing unless the parties agree to a shorter period. With respect to a petition for review filed by a county assessor, the county board that made the determination under review under this section may file an amicus curiae brief in the review proceeding under this section. The expenses incurred by the county board in filing the amicus curiae brief shall be paid from the property reassessment fund under IC 6-1.1-4-27.5 of the county in which the property is located. The executive of a taxing unit may file an amicus curiae brief in the review proceeding under this section if the property that is the subject of the appeal is subject to assessment by that taxing unit.

(c) If a petition for review does not comply with the Indiana board's instructions for completing the form prescribed under section 3 of this chapter, the Indiana board shall return the petition to the petitioner and include a notice describing the defect in the petition. The petitioner then has thirty (30) days from the date on the notice to cure the defect and file a corrected petition. The Indiana board shall deny a corrected petition for review if it does not substantially comply with the Indiana board's instructions for completing the form prescribed under section



3 of this chapter.

(d) After the hearing, the Indiana board shall give the parties and any entity that filed an amicus curiae brief, or their representatives:

- (1) notice, by mail, of its final determination; and
- (2) for parties entitled to appeal the final determination, notice of the procedures they must follow in order to obtain court review under section 5 of this chapter.

(e) The Indiana board shall conduct a hearing not later than one (1) year after a petition in proper form is filed with the Indiana board.

(f) The Indiana board shall issue a determination not later than the later of:

- (1) ninety (90) days after the hearing; or
- (2) the date set in an extension order issued by the Indiana board. The board may not extend the date by more than one hundred eighty (180) days.

(g) The time periods described in subsections (e) and (f) do not include any period of time that is attributable to a party's:

- (1) request for a continuance, stay, extension, or summary disposition;
- (2) consent to a case management order, stipulated record, or proposed hearing date;
- (3) failure to comply with the board's orders or rules; or
- (4) waiver of a deadline.

(h) If the Indiana board fails to take action required under subsection (e) or (f), the entity that initiated the petition may:

- (1) take no action and wait for the Indiana board to hear the matter and issue a final determination; or
- (2) petition for judicial review under section 5 of this chapter.

(i) This subsection applies when the board has not held a hearing. A person may not seek judicial review under subsection (h)(2) until:

- (1) the person requests a hearing in writing; and
- (2) sixty (60) days have passed after the person requests a hearing under subdivision (1) and the matter has not been heard or otherwise extended under subsection (g).

(j) A final determination must include separately stated findings of fact for all aspects of the determination. Findings of ultimate fact must be accompanied by a concise statement of the underlying basic facts of record to support the findings. Findings must be based exclusively upon the evidence on the record in the proceeding and on matters officially noticed in the proceeding. Findings must be based upon a preponderance of the evidence.

(k) The Indiana board may limit the scope of the appeal to the issues



raised in the petition and the evaluation of the evidence presented to the county board in support of those issues only if all parties participating in the hearing required under subsection (a) agree to the limitation. A party participating in the hearing required under subsection (a) is entitled to introduce evidence that is otherwise proper and admissible without regard to whether that evidence has previously been introduced at a hearing before the county board.

(l) The Indiana board may require the parties to the appeal:

- (1) to file not more than five (5) business days before the date of the hearing required under subsection (a) documentary evidence or summaries of statements of testimonial evidence; and
- (2) to file not more than fifteen (15) business days before the date of the hearing required under subsection (a) lists of witnesses and exhibits to be introduced at the hearing.

(m) A party to a proceeding before the Indiana board shall provide to all other parties to the proceeding the information described in subsection (l) if the other party requests the information in writing at least ten (10) days before the deadline for filing of the information under subsection (l).

(n) The Indiana board may base its final determination on a stipulation between the respondent and the petitioner. If the final determination is based on a stipulated assessed valuation of tangible property, the Indiana board may order the placement of a notation on the permanent assessment record of the tangible property that the assessed valuation was determined by stipulation. The Indiana board may:

- (1) order that a final determination under this subsection has no precedential value; or
- (2) specify a limited precedential value of a final determination under this subsection.

(o) If a party to a proceeding, or a party's authorized representative, elects to receive any notice under this section by electronic mail, the notice is considered effective in the same manner as if the notice had been sent by United States mail, with postage prepaid, to the party's or representative's mailing address of record.

(p) At a hearing under this section, the Indiana board shall admit into evidence an appraisal report, prepared by an appraiser, unless the appraisal report is ruled inadmissible on grounds besides a hearsay objection. This exception to the hearsay rule shall not be construed to limit the discretion of the Indiana board, as trier of fact, to review the probative value of an appraisal report.

(q) This subsection applies only to the determination of an



appealed assessed value of:

- (1) a taxpayer's tangible property that has been granted a standard deduction under IC 6-1.1-12-37, without regard to the tangible property's appealed assessed value; or
- (2) any other tangible property with an appealed assessed value that is not more than two million dollars (\$2,000,000) and is not otherwise described in subdivision (1).

The determination of an appealed assessed value of tangible property to which this subsection applies by the Indiana board resulting from an appeal hearing under this section may be less than or equal to the tangible property's original appealed assessed value at issue, but may not exceed the original appealed assessed value at issue."

Renumber all SECTIONS consecutively.

(Reference is to EHB 1454 as printed April 5, 2023.)

BASSLER

SENATE MOTION

Madam President: I move that Engrossed House Bill 1454 be amended to read as follows:

Page 96, delete lines 27 through 42.

Page 97, delete lines 1 through 4.

Renumber all SECTIONS consecutively.

(Reference is to EHB 1454 as printed April 5, 2023.)

BECKER

