



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:

- 1 Page 1, between the enacting clause and line 1, begin a new
- 2 paragraph and insert:
- 3 "SECTION 1. IC 5-1-8-1 IS AMENDED TO READ AS FOLLOWS
- 4 [EFFECTIVE JULY 1, 2023]: Sec. 1. **(a)** The county council may, in
- 5 its discretion, authorize the issuance and sale of judgment funding
- 6 bonds of the county for the purpose of procuring funds to pay any
- 7 judgment taken against the county. Such bonds shall be authorized,
- 8 issued and sold pursuant to statutes governing the issuance of
- 9 refunding bonds of the county, and the amount thereof shall not exceed
- 10 the face of the judgment or judgments being funded, plus the accrued
- 11 interest thereon, together with the costs taxed by the court.
- 12 **(b) The term of any judgment funding bond under subsection**
- 13 **(a) with regard to either:**
- 14 **(1) the city of Hobart; or**
- 15 **(2) the Merrillville Community School Corporation;**
- 16 **issued for the purpose of paying a property tax judgment rendered**
- 17 **against Lake County for assessment year 2011, 2012, 2013, or 2014**
- 18 **shall be twenty-five (25) years."**
- 19 Page 2, line 2, strike "and".
- 20 Page 2, between lines 2 and 3, begin a new line double block

1 indented and insert:

2 **"(E) taxing districts;**

3 **(F) special taxing districts; and".**

4 Page 2, line 3, strike "(E)" and insert "(G)".

5 Page 2, between lines 13 and 14, begin a new paragraph and insert:

6 "SECTION 2. IC 5-1-11-6, AS AMENDED BY P.L.38-2021,

7 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE

8 JULY 1, 2023]: Sec. 6. (a) In cases where other statutes authorize the

9 issuance and exchange of new bonds for the purpose of refunding or

10 redeeming outstanding bonds for the payment of which no funds are

11 available, it shall be the duty of the officers charged with issuance and

12 exchange of the new bonds to cause the bonds to be offered:

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

14 (2) alternatively, at a negotiated sale after June 30, 2018, and

15 before July 1, ~~2023~~, **2025**, in the case of:

16 (A) counties;

17 (B) townships;

18 (C) cities;

19 (D) towns; ~~and~~

20 **(E) taxing districts;**

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

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

23 (b) In cases where it is necessary to provide for the refunding of

24 bonds or interest coupons maturing at various times over a period not

25 exceeding six (6) months, the bodies and officials charged with the

26 duty of issuing and selling the refunding bonds may, for the purpose of

27 reducing the cost of issuance of the bonds, issue and sell one (1) issue

28 of bonds in an amount sufficient to provide for the refunding of all of

29 the bonds and interest coupons required to be refunded during the six

30 (6) month period.

31 SECTION 3. IC 5-1-14-10, AS AMENDED BY P.L.229-2011,

32 SECTION 66, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE

33 JULY 1, 2023]: Sec. 10. (a) If an issuer has issued obligations under a

34 statute that establishes a maximum term or repayment period for the

35 obligations, notwithstanding that statute, the issuer may continue to

36 make payments of principal, interest, or both, on the obligations after

37 the expiration of the term or period if principal or interest owed to

38 owners of the obligations remains unpaid.

39 (b) This section does not authorize the use of revenues or funds to

40 make payments of principal and interest other than those revenues or

41 funds that were pledged for the payments before the expiration of the

42 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;

1 **or both.**

2 SECTION 12. IC 6-1.1-10-18.5, AS AMENDED BY P.L.197-2011,
3 SECTION 33, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
4 JANUARY 1, 2019 (RETROACTIVE)]: Sec. 18.5. (a) This section
5 does not exempt from property tax an office or a practice of a physician
6 or group of physicians that is owned by a hospital licensed under
7 IC 16-21-2 or other property that is not substantially related to or
8 supportive of the inpatient facility of the hospital unless the office,
9 practice, or other property:

10 (1) provides or supports the provision of charity care (as defined
11 in IC 16-18-2-52.5), including funds or other financial support for
12 health care services for individuals who are indigent (as defined
13 in IC 16-18-2-52.5(b) and IC 16-18-2-52.5(c)); or

14 (2) provides or supports the provision of community benefits (as
15 defined in IC 16-21-9-1), including research, education, or
16 government sponsored indigent health care (as defined in
17 IC 16-21-9-2).

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

21 (b) Tangible property is exempt from property taxation if it is:

22 (1) owned **or leased** by an Indiana nonprofit corporation; and

23 (2) used by that corporation **or leased by that corporation to**
24 **another nonprofit corporation** in the operation of a hospital
25 licensed under IC 16-21, a health facility licensed under IC 16-28,
26 ~~or in the operation of~~ a residential facility for the aged and
27 licensed under IC 16-28, **a continuing care retirement**
28 **community registered under IC 23-2-4**, or ~~in the operation of~~
29 a Christian Science home or sanatorium.

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

32 Page 21, between lines 22 and 23, begin a new paragraph and insert:

33 "SECTION 14. IC 6-1.1-15-1.2, AS AMENDED BY P.L.121-2019,
34 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
35 JULY 1, 2023]: Sec. 1.2. (a) A county or township official who
36 receives a written notice under section 1.1 of this chapter shall
37 schedule, at a time during business hours that is convenient to the
38 taxpayer, a preliminary informal meeting with the taxpayer in order to
39 resolve the appeal. If the taxpayer raises a claim regarding a matter that
40 is in the discretion of the county auditor, the informal meeting must
41 include the county auditor. At the preliminary informal meeting, in
42 order to facilitate understanding and the resolution of disputed issues,

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

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

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

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

41 (e) If good cause is shown, the county board shall grant a request for
42 continuance filed in writing at least ten (10) days before the hearing,

1 and reschedule the hearing under subsection (d).

2 (f) A taxpayer may withdraw an appeal by filing a written request
3 at least ten (10) days before the hearing. The county board shall issue
4 a notification of final assessment determination indicating the
5 withdrawal and no change in the assessment. A withdrawal waives a
6 taxpayer's right to appeal to the Indiana board.

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

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

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

23 (j) The county board shall determine the assessment by motion and
24 majority vote. A county board may, based on the evidence before it,
25 increase an assessment. The county board shall issue a written
26 decision. Written notice of the decision shall be given to the township
27 official, county official, county auditor, and the taxpayer.

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

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

41 **(m) Notwithstanding any other law, a determination of an**
42 **appealed assessed value by a county or township official resulting**

1 **from an informal meeting under subsection (a), or by a county**
 2 **board resulting from an appeal hearing under subsection (d), may**
 3 **be less than or equal to the original appealed assessed value at**
 4 **issue, but may not exceed the original appealed assessed value at**
 5 **issue.**

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

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

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

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

- 41 (1) notice, by mail, of its final determination; and
- 42 (2) for parties entitled to appeal the final determination, notice of

1 the procedures they must follow in order to obtain court review
 2 under section 5 of this chapter.

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

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

- 7 (1) ninety (90) days after the hearing; or
- 8 (2) the date set in an extension order issued by the Indiana board.
- 9 The board may not extend the date by more than one hundred
- 10 eighty (180) days.

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

- 13 (1) request for a continuance, stay, extension, or summary
- 14 disposition;
- 15 (2) consent to a case management order, stipulated record, or
- 16 proposed hearing date;
- 17 (3) failure to comply with the board's orders or rules; or
- 18 (4) waiver of a deadline.

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

- 21 (1) take no action and wait for the Indiana board to hear the
- 22 matter and issue a final determination; or
- 23 (2) petition for judicial review under section 5 of this chapter.

24 (i) This subsection applies when the board has not held a hearing.

25 A person may not seek judicial review under subsection (h)(2) until:

- 26 (1) the person requests a hearing in writing; and
- 27 (2) sixty (60) days have passed after the person requests a hearing
- 28 under subdivision (1) and the matter has not been heard or
- 29 otherwise extended under subsection (g).

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

37 (k) The Indiana board may limit the scope of the appeal to the issues
 38 raised in the petition and the evaluation of the evidence presented to
 39 the county board in support of those issues only if all parties
 40 participating in the hearing required under subsection (a) agree to the
 41 limitation. A party participating in the hearing required under
 42 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

1 insert:

2 "SECTION 16. IC 6-1.1-18-34 IS ADDED TO THE INDIANA
3 CODE AS A NEW SECTION TO READ AS FOLLOWS
4 [EFFECTIVE JULY 1, 2023]: Sec. 34. (a) Except as otherwise
5 provided in this section, this section:

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

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

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

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

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

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

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

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

39 After the governing body of the school corporation approves the
40 petition, the school corporation shall immediately notify the other
41 civil taxing units and school corporations in the county that are
42 located in a taxing district where the school corporation is also

1 located.

2 (d) If the superintendent of a school corporation submits a
 3 petition under subsection (b), the department of local government
 4 finance shall increase the school corporation's maximum
 5 permissible ad valorem property tax levy under IC 20-46-8-1 for
 6 the operations fund for property taxes first due and payable in the
 7 year after the expiration of IC 20-45-8 by the amount of the
 8 distribution that the school corporation received in the year
 9 immediately preceding the expiration of IC 20-45-8, as determined
 10 by the department of local government finance.

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

19 Page 25, delete lines 1 through 13.

20 Page 25, between lines 41 and 42, begin a new paragraph and insert:

21 "SECTION 18. IC 6-1.1-18.5-21, AS AMENDED BY
 22 P.L.182-2009(ss), SECTION 138, IS AMENDED TO READ AS
 23 FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 21. (a) A civil taxing
 24 unit may determine that the ad valorem property tax levy limits
 25 imposed by section 3 of this chapter do not apply to all or part of the ad
 26 valorem property taxes imposed to repay a loan under either or both of
 27 the following:

28 (1) IC 6-1.1-21.3.

29 (2) IC 6-1.1-21.9.

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

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

41 (2) the information described in subdivision (1) is provided to
 42 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

1 maximum permissible ad valorem property tax levy for property taxes
 2 first due and payable in ~~2023~~; **2024**.

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

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

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

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

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

19 (d) If the executive of the township submits a petition under
 20 subsection (b), the department of local government finance shall
 21 increase the maximum permissible ad valorem property tax levy for
 22 property taxes first due and payable in 2023 by not more than
 23 ~~seventy-five thousand~~ **one hundred** thousand dollars (~~\$75,000~~); **(\$100,000)**.

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

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

31 SECTION 22. IC 6-1.1-20-1.1, AS AMENDED BY P.L.32-2021,
 32 SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 33 JULY 1, 2023]: Sec. 1.1. As used in this chapter, "controlled project"
 34 means any project financed by bonds or a lease, except for the
 35 following:

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

38 (A) debt service; or

39 (B) lease rentals;

40 from funds other than property taxes that are exempt from the
 41 levy limitations of IC 6-1.1-18.5 or (before January 1, 2009)
 42 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, 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

1 **refinancing or renewal is for a lower interest rate; or**
 2 **(2) indebtedness that is approved in a local public question or**
 3 **referendum under IC 6-1.1-20 or any other law.**

4 ~~(b)~~ **(c)** Subject to subsection (a) **(before January 1, 2024) and**
 5 **subsection (b) (after December 31, 2023)**, a school corporation is
 6 eligible to allocate credits proportionately under this section for 2019,
 7 2020, 2021, 2022, ~~or~~ 2023, **2024, 2025, or 2026** if the school
 8 corporation's percentage computed under this subsection is at least ten
 9 percent (10%) for its operations fund levy as certified by the
 10 department of local government finance. A school corporation shall
 11 compute its percentage under this subsection as determined under the
 12 following formula:

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

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

21 STEP THREE: Determine the result of the school corporation's
 22 total levy minus any referendum levy.

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

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

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

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

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

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

37 ~~(c)~~ **(d)** A school corporation that desires to be an eligible school
 38 corporation under this section must, before May 1 of the year for which
 39 it wants a determination, submit a written request for a certification by
 40 the department of local government finance that the computation of the
 41 school corporation's percentage under subsection ~~(b)~~ **(c)** is correct. The
 42 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 ~~(e)~~ (d) the amount of credits that the school corporation may allocate proportionately as determined under this subsection.

~~(e)~~ (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

1 valuation figures referred to in subdivision (1).

2 Sec. 3. A qualified taxing unit, subject to the approval of the
3 fiscal body of the qualified taxing unit, may apply to the treasurer
4 of state for a loan from the counter-cyclical revenue and economic
5 stabilization fund.

6 Sec. 4. Subject to this chapter, the treasurer of state, after
7 review by the budget committee, shall determine the terms of any
8 loan made under this chapter.

9 Sec. 5. The treasurer of state may:

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

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

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

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

21 (1) two percent (2%) of the true tax value of property in the
22 qualified taxing unit as of the date of the loan; minus

23 (2) the amount of any loans previously received by the
24 qualified taxing unit under this chapter, together with the
25 amount of any other indebtedness of the qualified taxing unit
26 regardless of the nature of the indebtedness, other than items
27 payable out of current expenses.

28 (c) The qualified taxing unit may use the proceeds of a loan
29 under this chapter to refund any bonds of the qualified taxing unit
30 previously issued to offset the qualified taxing unit's property tax
31 revenue shortfall.

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

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

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

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

1 levy.

2 **Sec. 11. When the treasurer of state receives a payment with**
 3 **respect to a loan under this chapter, the state treasurer shall**
 4 **deposit the amount received in the counter-cyclical revenue and**
 5 **economic stabilization fund.**

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

11 **Sec. 13. Notes associated with loans under this chapter, and the**
 12 **authorization, issuance, sale, and delivery of the notes, are not**
 13 **subject to any general statute concerning obligations issued by the**
 14 **local governmental entity borrower. This chapter contains full and**
 15 **complete authority for the making of a loan under this chapter, the**
 16 **authorization, issuance, sale, and delivery of a note associated with**
 17 **a loan made under this chapter, and repayment of the loan by the**
 18 **borrower. No law, procedure, proceeding, publication, notice,**
 19 **consent, approval, order, or act by any officer, department, agency,**
 20 **or instrument of the state, or of any political subdivision, is**
 21 **required to make a loan under this chapter, issue a note associated**
 22 **with a loan under this chapter, or repay a loan, except as**
 23 **prescribed under this chapter.**

24 **Sec. 14. Upon the failure of a qualified taxing unit to make any**
 25 **of the qualified taxing unit's payments on a loan granted under this**
 26 **chapter when due, the treasurer of state, upon being notified of the**
 27 **failure by the board, may pay the unpaid amount that is due from**
 28 **the funds held by the state that would otherwise be distributable to**
 29 **the qualified taxing unit.**

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

32 Page 34, delete lines 20 through 34.

33 Page 38, between lines 9 and 10, begin a new paragraph and insert:
 34 "SECTION 32. IC 6-1.1-39-1, AS AMENDED BY P.L.95-2022,
 35 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 36 JANUARY 1, 2023 (RETROACTIVE)]: Sec. 1. (a) This chapter
 37 applies to all counties, cities, and towns (referred to in this chapter as
 38 units).

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

41 (1) **for economic development districts established** after
 42 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

- 1 full-time student who is less than twenty-four (24) years of
- 2 age;
- 3 (ii) for whom the taxpayer is the legal guardian; and
- 4 (iii) for whom the taxpayer does not claim an exemption
- 5 under clause (A).
- 6 (C) Five hundred dollars (\$500) for each additional amount
- 7 allowable under Section 63(f)(1) of the Internal Revenue Code
- 8 if the federal adjusted gross income of the taxpayer, or the
- 9 taxpayer and the taxpayer's spouse in the case of a joint return,
- 10 is less than forty thousand dollars (\$40,000). In the case of a
- 11 married individual filing a separate return, the qualifying
- 12 income amount in this clause is equal to twenty thousand
- 13 dollars (\$20,000).
- 14 (D) Three thousand dollars (\$3,000) for each exemption
- 15 allowed under Section 151(c) of the Internal Revenue Code (as
- 16 effective January 1, 2017) for an individual who is:
- 17 (i) an adopted child of the taxpayer; and
- 18 (ii) less than nineteen (19) years of age or is a full-time
- 19 student who is less than twenty-four (24) years of age.
- 20 This amount is in addition to any amount subtracted under
- 21 clause (A) or (B).
- 22 This amount is in addition to the amount subtracted under
- 23 subdivision (4).
- 24 (6) Subtract any amounts included in federal adjusted gross
- 25 income under Section 111 of the Internal Revenue Code as a
- 26 recovery of items previously deducted as an itemized deduction
- 27 from adjusted gross income.
- 28 (7) Subtract any amounts included in federal adjusted gross
- 29 income under the Internal Revenue Code which amounts were
- 30 received by the individual as supplemental railroad retirement
- 31 annuities under 45 U.S.C. 231 and which are not deductible under
- 32 subdivision (1).
- 33 (8) Subtract an amount equal to the amount of federal Social
- 34 Security and Railroad Retirement benefits included in a taxpayer's
- 35 federal gross income by Section 86 of the Internal Revenue Code.
- 36 (9) In the case of a nonresident taxpayer or a resident taxpayer
- 37 residing in Indiana for a period of less than the taxpayer's entire
- 38 taxable year, the total amount of the deductions allowed pursuant
- 39 to subdivisions (3), (4), and (5) shall be reduced to an amount
- 40 which bears the same ratio to the total as the taxpayer's income
- 41 taxable in Indiana bears to the taxpayer's total income.
- 42 (10) In the case of an individual who is a recipient of assistance

1 under IC 12-10-6-1, IC 12-10-6-2.1, IC 12-15-2-2, or IC 12-15-7,
2 subtract an amount equal to that portion of the individual's
3 adjusted gross income with respect to which the individual is not
4 allowed under federal law to retain an amount to pay state and
5 local income taxes.

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

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

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

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

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

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

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

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

37 (17) Add or subtract the amount necessary to make the adjusted
38 gross income of any taxpayer that placed Section 179 property (as
39 defined in Section 179 of the Internal Revenue Code) in service
40 in the current taxable year or in an earlier taxable year equal to
41 the amount of adjusted gross income that would have been
42 computed had an election for federal income tax purposes not

1 been made for the year in which the property was placed in
 2 service to take deductions under Section 179 of the Internal
 3 Revenue Code in a total amount exceeding the sum of:

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

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

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

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

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

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

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

27 (19) Subtract income that is:

28 (A) exempt from taxation under IC 6-3-2-21.7 (certain income
 29 derived from patents); and

30 (B) included in the individual's federal adjusted gross income
 31 under the Internal Revenue Code.

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

- 1 2011, of an applicable debt instrument, as provided in Section
- 2 108(i) of the Internal Revenue Code.
- 3 (21) Add the amount excluded from federal gross income under
- 4 Section 103 of the Internal Revenue Code for interest received on
- 5 an obligation of a state other than Indiana, or a political
- 6 subdivision of such a state, that is acquired by the taxpayer after
- 7 December 31, 2011.
- 8 (22) Subtract an amount as described in Section 1341(a)(2) of the
- 9 Internal Revenue Code to the extent, if any, that the amount was
- 10 previously included in the taxpayer's adjusted gross income for a
- 11 prior taxable year.
- 12 (23) For taxable years beginning after December 25, 2016, add an
- 13 amount equal to the deduction for deferred foreign income that
- 14 was claimed by the taxpayer for the taxable year under Section
- 15 965(c) of the Internal Revenue Code.
- 16 (24) Subtract any interest expense paid or accrued in the current
- 17 taxable year but not deducted as a result of the limitation imposed
- 18 under Section 163(j)(1) of the Internal Revenue Code. Add any
- 19 interest expense paid or accrued in a previous taxable year but
- 20 allowed as a deduction under Section 163 of the Internal Revenue
- 21 Code in the current taxable year. For purposes of this subdivision,
- 22 an interest expense is considered paid or accrued only in the first
- 23 taxable year the deduction would have been allowable under
- 24 Section 163 of the Internal Revenue Code if the limitation under
- 25 Section 163(j)(1) of the Internal Revenue Code did not exist.
- 26 (25) Subtract the amount that would have been excluded from
- 27 gross income but for the enactment of Section 118(b)(2) of the
- 28 Internal Revenue Code for taxable years ending after December
- 29 22, 2017.
- 30 (26) For taxable years beginning after December 31, 2019, and
- 31 before January 1, 2021, add an amount of the deduction claimed
- 32 under Section 62(a)(22) of the Internal Revenue Code.
- 33 (27) For taxable years beginning after December 31, 2019, for
- 34 payments made by an employer under an education assistance
- 35 program after March 27, 2020:
- 36 (A) add the amount of payments by an employer that are
- 37 excluded from the taxpayer's federal gross income under
- 38 Section 127(c)(1)(B) of the Internal Revenue Code; and
- 39 (B) deduct the interest allowable under Section 221 of the
- 40 Internal Revenue Code, if the disallowance under Section
- 41 221(e)(1) of the Internal Revenue Code did not apply to the
- 42 payments described in clause (A). For purposes of applying

- 1 Section 221(b) of the Internal Revenue Code to the amount
 2 allowable under this clause, the amount under clause (A) shall
 3 not be added to adjusted gross income.
- 4 (28) Add an amount equal to the remainder of:
- 5 (A) the amount allowable as a deduction under Section 274(n)
 6 of the Internal Revenue Code; minus
- 7 (B) the amount otherwise allowable as a deduction under
 8 Section 274(n) of the Internal Revenue Code, if Section
 9 274(n)(2)(D) of the Internal Revenue Code was not in effect
 10 for amounts paid or incurred after December 31, 2020.
- 11 (29) For taxable years beginning after December 31, 2017, and
 12 before January 1, 2021, add an amount equal to the excess
 13 business loss of the taxpayer as defined in Section 461(l)(3) of the
 14 Internal Revenue Code. In addition:
- 15 (A) If a taxpayer has an excess business loss under this
 16 subdivision and also has modifications under subdivisions (15)
 17 and (17) for property placed in service during the taxable year,
 18 the taxpayer shall treat a portion of the taxable year
 19 modifications for that property as occurring in the taxable year
 20 the property is placed in service and a portion of the
 21 modifications as occurring in the immediately following
 22 taxable year.
- 23 (B) The portion of the modifications under subdivisions (15)
 24 and (17) for property placed in service during the taxable year
 25 treated as occurring in the taxable year in which the property
 26 is placed in service equals:
- 27 (i) the modification for the property otherwise determined
 28 under this section; minus
- 29 (ii) the excess business loss disallowed under this
 30 subdivision;
- 31 but not less than zero (0).
- 32 (C) The portion of the modifications under subdivisions (15)
 33 and (17) for property placed in service during the taxable year
 34 treated as occurring in the taxable year immediately following
 35 the taxable year in which the property is placed in service
 36 equals the modification for the property otherwise determined
 37 under this section minus the amount in clause (B).
- 38 (D) Any reallocation of modifications between taxable years
 39 under clauses (B) and (C) shall be first allocated to the
 40 modification under subdivision (15), then to the modification
 41 under subdivision (17).
- 42 (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

- 1 Code (concerning charitable contributions).
- 2 (3) Except as provided in subsection (c), add an amount equal to
- 3 any deduction or deductions allowed or allowable pursuant to
- 4 Section 63 of the Internal Revenue Code for taxes based on or
- 5 measured by income and levied at the state level by any state of
- 6 the United States.
- 7 (4) Subtract an amount equal to the amount included in the
- 8 corporation's taxable income under Section 78 of the Internal
- 9 Revenue Code (concerning foreign tax credits).
- 10 (5) Add or subtract the amount necessary to make the adjusted
- 11 gross income of any taxpayer that owns property for which bonus
- 12 depreciation was allowed in the current taxable year or in an
- 13 earlier taxable year equal to the amount of adjusted gross income
- 14 that would have been computed had an election not been made
- 15 under Section 168(k) of the Internal Revenue Code to apply bonus
- 16 depreciation to the property in the year that it was placed in
- 17 service.
- 18 (6) Add an amount equal to any deduction allowed under Section
- 19 172 of the Internal Revenue Code (concerning net operating
- 20 losses).
- 21 (7) Add or subtract the amount necessary to make the adjusted
- 22 gross income of any taxpayer that placed Section 179 property (as
- 23 defined in Section 179 of the Internal Revenue Code) in service
- 24 in the current taxable year or in an earlier taxable year equal to
- 25 the amount of adjusted gross income that would have been
- 26 computed had an election for federal income tax purposes not
- 27 been made for the year in which the property was placed in
- 28 service to take deductions under Section 179 of the Internal
- 29 Revenue Code in a total amount exceeding the sum of:
- 30 (A) twenty-five thousand dollars (\$25,000) to the extent
- 31 deductions under Section 179 of the Internal Revenue Code
- 32 were not elected as provided in clause (B); and
- 33 (B) for taxable years beginning after December 31, 2017, the
- 34 deductions elected under Section 179 of the Internal Revenue
- 35 Code on property acquired in an exchange if:
- 36 (i) the exchange would have been eligible for
- 37 nonrecognition of gain or loss under Section 1031 of the
- 38 Internal Revenue Code in effect on January 1, 2017;
- 39 (ii) the exchange is not eligible for nonrecognition of gain or
- 40 loss under Section 1031 of the Internal Revenue Code; and
- 41 (iii) the taxpayer made an election to take deductions under
- 42 Section 179 of the Internal Revenue Code with regard to the

- 1 acquired property in the year that the property was placed
- 2 into service.
- 3 The amount of deductions allowable for an item of property
- 4 under this clause may not exceed the amount of adjusted gross
- 5 income realized on the property that would have been deferred
- 6 under the Internal Revenue Code in effect on January 1, 2017.
- 7 (8) Add to the extent required by IC 6-3-2-20:
- 8 (A) the amount of intangible expenses (as defined in
- 9 IC 6-3-2-20) for the taxable year that reduced the corporation's
- 10 taxable income (as defined in Section 63 of the Internal
- 11 Revenue Code) for federal income tax purposes; and
- 12 (B) any directly related interest expenses (as defined in
- 13 IC 6-3-2-20) that reduced the corporation's adjusted gross
- 14 income (determined without regard to this subdivision). For
- 15 purposes of this clause, any directly related interest expense
- 16 that constitutes business interest within the meaning of Section
- 17 163(j) of the Internal Revenue Code shall be considered to
- 18 have reduced the taxpayer's federal taxable income only in the
- 19 first taxable year in which the deduction otherwise would have
- 20 been allowable under Section 163 of the Internal Revenue
- 21 Code if the limitation under Section 163(j)(1) of the Internal
- 22 Revenue Code did not exist.
- 23 (9) Add an amount equal to any deduction for dividends paid (as
- 24 defined in Section 561 of the Internal Revenue Code) to
- 25 shareholders of a captive real estate investment trust (as defined
- 26 in section 34.5 of this chapter).
- 27 (10) Subtract income that is:
- 28 (A) exempt from taxation under IC 6-3-2-21.7 (certain income
- 29 derived from patents); and
- 30 (B) included in the corporation's taxable income under the
- 31 Internal Revenue Code.
- 32 (11) Add an amount equal to any income not included in gross
- 33 income as a result of the deferral of income arising from business
- 34 indebtedness discharged in connection with the reacquisition after
- 35 December 31, 2008, and before January 1, 2011, of an applicable
- 36 debt instrument, as provided in Section 108(i) of the Internal
- 37 Revenue Code. Subtract from the adjusted gross income of any
- 38 taxpayer that added an amount to adjusted gross income in a
- 39 previous year the amount necessary to offset the amount included
- 40 in federal gross income as a result of the deferral of income
- 41 arising from business indebtedness discharged in connection with
- 42 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

- 1 deduction allowed on the taxpayer's federal income tax return for
- 2 wagering taxes.
- 3 (4) For taxable years beginning after December 31, 2021, and
- 4 before January 1, 2023, a taxpayer is required to add back under
- 5 this section fifty percent (50%) of any deduction allowed on the
- 6 taxpayer's federal income tax return for wagering taxes.
- 7 (5) For taxable years beginning after December 31, 2022, and
- 8 before January 1, 2024, a taxpayer is required to add back under
- 9 this section thirty-seven and five-tenths percent (37.5%) of any
- 10 deduction allowed on the taxpayer's federal income tax return for
- 11 wagering taxes.
- 12 (6) For taxable years beginning after December 31, 2023, and
- 13 before January 1, 2025, a taxpayer is required to add back under
- 14 this section twenty-five percent (25%) of any deduction allowed
- 15 on the taxpayer's federal income tax return for wagering taxes.
- 16 (7) For taxable years beginning after December 31, 2024, and
- 17 before January 1, 2026, a taxpayer is required to add back under
- 18 this section twelve and five-tenths percent (12.5%) of any
- 19 deduction allowed on the taxpayer's federal income tax return for
- 20 wagering taxes.
- 21 (8) For taxable years beginning after December 31, 2025, a
- 22 taxpayer is not required to add back under this section any amount
- 23 of a deduction allowed on the taxpayer's federal income tax return
- 24 for wagering taxes.
- 25 (d) In the case of life insurance companies (as defined in Section
- 26 816(a) of the Internal Revenue Code) that are organized under Indiana
- 27 law, the same as "life insurance company taxable income" (as defined
- 28 in Section 801 of the Internal Revenue Code), adjusted as follows:
- 29 (1) Subtract income that is exempt from taxation under this article
- 30 by the Constitution and statutes of the United States.
- 31 (2) Add an amount equal to any deduction allowed or allowable
- 32 under Section 170 of the Internal Revenue Code (concerning
- 33 charitable contributions).
- 34 (3) Add an amount equal to a deduction allowed or allowable
- 35 under Section 805 or Section 832(c) of the Internal Revenue Code
- 36 for taxes based on or measured by income and levied at the state
- 37 level by any state.
- 38 (4) Subtract an amount equal to the amount included in the
- 39 company's taxable income under Section 78 of the Internal
- 40 Revenue Code (concerning foreign tax credits).
- 41 (5) Add or subtract the amount necessary to make the adjusted
- 42 gross income of any taxpayer that owns property for which bonus

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

7 (6) Add an amount equal to any deduction allowed under Section
 8 172 of the Internal Revenue Code (concerning net operating
 9 losses).

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

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

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

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

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

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

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

38 (8) Subtract income that is:

39 (A) exempt from taxation under IC 6-3-2-21.7 (certain income
 40 derived from patents); and

41 (B) included in the insurance company's taxable income under
 42 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

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

- 1 under the Internal Revenue Code in effect on January 1, 2017.
- 2 (8) Subtract income that is:
- 3 (A) exempt from taxation under IC 6-3-2-21.7 (certain income
- 4 derived from patents); and
- 5 (B) included in the insurance company's taxable income under
- 6 the Internal Revenue Code.
- 7 (9) Add an amount equal to any income not included in gross
- 8 income as a result of the deferral of income arising from business
- 9 indebtedness discharged in connection with the reacquisition after
- 10 December 31, 2008, and before January 1, 2011, of an applicable
- 11 debt instrument, as provided in Section 108(i) of the Internal
- 12 Revenue Code. Subtract from the adjusted gross income of any
- 13 taxpayer that added an amount to adjusted gross income in a
- 14 previous year the amount necessary to offset the amount included
- 15 in federal gross income as a result of the deferral of income
- 16 arising from business indebtedness discharged in connection with
- 17 the reacquisition after December 31, 2008, and before January 1,
- 18 2011, of an applicable debt instrument, as provided in Section
- 19 108(i) of the Internal Revenue Code.
- 20 (10) Add an amount equal to any exempt insurance income under
- 21 Section 953(e) of the Internal Revenue Code that is active
- 22 financing income under Subpart F of Subtitle A, Chapter 1,
- 23 Subchapter N of the Internal Revenue Code.
- 24 (11) Add the amount excluded from federal gross income under
- 25 Section 103 of the Internal Revenue Code for interest received on
- 26 an obligation of a state other than Indiana, or a political
- 27 subdivision of such a state, that is acquired by the taxpayer after
- 28 December 31, 2011.
- 29 (12) For taxable years beginning after December 25, 2016, add:
- 30 (A) an amount equal to the amount reported by the taxpayer on
- 31 IRC 965 Transition Tax Statement, line 1; or
- 32 (B) if the taxpayer deducted an amount under Section 965(c)
- 33 of the Internal Revenue Code in determining the taxpayer's
- 34 taxable income for purposes of the federal income tax, the
- 35 amount deducted under Section 965(c) of the Internal Revenue
- 36 Code.
- 37 (13) Add an amount equal to the deduction that was claimed by
- 38 the taxpayer for the taxable year under Section 250(a)(1)(B) of the
- 39 Internal Revenue Code (attributable to global intangible
- 40 low-taxed income). The taxpayer shall separately specify the
- 41 amount of the reduction under Section 250(a)(1)(B)(i) of the
- 42 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

- 1 under the Internal Revenue Code in effect on January 1, 2017.
- 2 (6) Subtract income that is:
- 3 (A) exempt from taxation under IC 6-3-2-21.7 (certain income
- 4 derived from patents); and
- 5 (B) included in the taxpayer's taxable income under the
- 6 Internal Revenue Code.
- 7 (7) Add an amount equal to any income not included in gross
- 8 income as a result of the deferral of income arising from business
- 9 indebtedness discharged in connection with the reacquisition after
- 10 December 31, 2008, and before January 1, 2011, of an applicable
- 11 debt instrument, as provided in Section 108(i) of the Internal
- 12 Revenue Code. Subtract from the adjusted gross income of any
- 13 taxpayer that added an amount to adjusted gross income in a
- 14 previous year the amount necessary to offset the amount included
- 15 in federal gross income as a result of the deferral of income
- 16 arising from business indebtedness discharged in connection with
- 17 the reacquisition after December 31, 2008, and before January 1,
- 18 2011, of an applicable debt instrument, as provided in Section
- 19 108(i) of the Internal Revenue Code.
- 20 (8) Add the amount excluded from federal gross income under
- 21 Section 103 of the Internal Revenue Code for interest received on
- 22 an obligation of a state other than Indiana, or a political
- 23 subdivision of such a state, that is acquired by the taxpayer after
- 24 December 31, 2011.
- 25 (9) For taxable years beginning after December 25, 2016, add an
- 26 amount equal to:
- 27 (A) the amount reported by the taxpayer on IRC 965
- 28 Transition Tax Statement, line 1;
- 29 (B) if the taxpayer deducted an amount under Section 965(c)
- 30 of the Internal Revenue Code in determining the taxpayer's
- 31 taxable income for purposes of the federal income tax, the
- 32 amount deducted under Section 965(c) of the Internal Revenue
- 33 Code; and
- 34 (C) with regard to any amounts of income under Section 965
- 35 of the Internal Revenue Code distributed by the taxpayer, the
- 36 deduction under Section 965(c) of the Internal Revenue Code
- 37 attributable to such distributed amounts and not reported to the
- 38 beneficiary.
- 39 For purposes of this article, the amount required to be added back
- 40 under clause (B) is not considered to be distributed or
- 41 distributable to a beneficiary of the estate or trust for purposes of
- 42 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

- 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 (3)
 5 and (5) 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 (3), then to the modification
 13 under subdivision (5).
 14 (15) For taxable years ending after March 12, 2020, subtract an
 15 amount equal to the deduction disallowed pursuant to:
 16 (A) Section 2301(e) of the CARES Act (Public Law 116-136),
 17 as modified by Sections 206 and 207 of the Taxpayer Certainty
 18 and Disaster Relief Tax Act (Division EE of Public Law
 19 116-260); and
 20 (B) Section 3134(e) of the Internal Revenue Code.
 21 (16) For taxable years beginning after December 31, 2022,
 22 subtract an amount equal to the deduction disallowed under
 23 Section 280C(h) of the Internal Revenue Code.
 24 (17) Except as provided in subsection (c), for taxable years
 25 beginning after December 31, 2022, add an amount equal to any
 26 deduction or deductions allowed or allowable in determining
 27 taxable income under Section 641(b) of the Internal Revenue
 28 Code for taxes based on or measured by income and levied at the
 29 state level by any state of the United States.
 30 (18) Add or subtract any other amounts the taxpayer is:
 31 (A) required to add or subtract; or
 32 (B) entitled to deduct;
 33 under IC 6-3-2.
 34 (g) For purposes of IC 6-3-2.1, IC 6-3-4-12, IC 6-3-4-13, and
 35 IC 6-3-4-15 for taxable years beginning after December 31, 2022,
 36 "adjusted gross income" of a pass through entity means the aggregate
 37 of items of ordinary income and loss in the case of a partnership or a
 38 corporation described in IC 6-3-2-2.8(2), or aggregate distributable net
 39 income of a trust or estate as defined in Section 643 of the Internal
 40 Revenue Code; distributions subject to tax for state and federal
 41 income tax for beneficiaries in the case of a trust or estate,
 42 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

1 section to be less than zero (0); and

2 (2) the Internal Revenue Service issues guidance that such an
3 income or deduction is not reported directly on a federal tax
4 return or is to be reported in a manner different than specified in
5 this section, this section shall be construed as if federal adjusted
6 gross income or federal taxable income included the income or
7 deduction.

8 (j) If a partner is required to include an item of income, a deduction,
9 or another tax attribute in the partner's adjusted gross income tax return
10 pursuant to IC 6-3-4.5, such item shall be considered to be includible
11 in the partner's federal adjusted gross income or federal taxable
12 income, regardless of whether such item is actually required to be
13 reported by the partner for federal income tax purposes. For purposes
14 of this subsection:

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

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

23 SECTION 34. IC 6-3-2-2.8, AS AMENDED BY P.L.1-2023,
24 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
25 JULY 1, 2023]: Sec. 2.8. Notwithstanding any provision of IC 6-3-1
26 through IC 6-3-7, there shall be no tax on the adjusted gross income of
27 the following:

28 (1) Any organization described in Section 501(a) of the Internal
29 Revenue Code, except that any income of such organization
30 which is subject to income tax under the Internal Revenue Code
31 shall be subject to the tax under IC 6-3-1 through IC 6-3-7.

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

1 tax as provided in IC 6-3-2.1 for the taxable year of the election.

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

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

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

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

11 **(C) IC 6-8-15, unless a nonprofit agricultural organization**
12 **files a notice of election with the commissioner of the**
13 **department of state revenue as set forth in IC 6-8-15-5(b)**
14 **stating that the nonprofit agricultural organization elects**
15 **to submit to the tax imposed under IC 6-3-1 through**
16 **IC 6-3-7.**

17 (5) International banking facilities (as defined in Regulation D of
18 the Board of Governors of the Federal Reserve System (12 CFR
19 204)).

20 SECTION 35. IC 6-3-2.1-4, AS ADDED BY P.L.1-2023, SECTION
21 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY
22 1, 2022 (RETROACTIVE)]: Sec. 4. (a) A tax shall be imposed on the
23 adjusted gross income of an electing entity for the taxable year of the
24 election. The adjusted gross income of the electing entity shall be the
25 aggregate of the direct owners' share of the electing entity's adjusted
26 gross income. For purposes of this section:

27 (1) the electing entity shall determine each nonresident direct
28 owner's share after allocation and apportionment pursuant to
29 IC 6-3-2-2; and

30 (2) the electing entity shall determine the resident direct owner's
31 share either before allocation and apportionment pursuant to
32 IC 6-3-2-2 or after allocation and apportionment pursuant to
33 IC 6-3-2-2. The electing entity must use the same method for all
34 resident direct owners.

35 (b) The tax rate shall be the tax rate specified in IC 6-3-2-1(b) as of
36 the last day of the electing entity's taxable year, and the tax shall be due
37 on the same date as the entity return for the taxable year is due under
38 this article, without regard to extensions.

39 (c) On its return for the taxable year, the electing entity shall attach
40 a schedule showing the calculation of the tax and the credit for each
41 **entity direct** owner, and remit the tax with the return, taking into
42 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.

- 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 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

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**

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

1 **in subdivision (1) will be completely paid.**

2 **The department of local government finance shall publish the**
 3 **information received under this subsection on the department's**
 4 **interactive and searchable website containing local government**
 5 **information (the Indiana gateway for governmental units).".**

6 Page 44, delete line 9.

7 Page 44, delete lines 14 through 15, begin a new paragraph and
 8 insert:

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 Page 44, delete line 23.

13 Page 44, line 24, delete "The" and insert **"the year preceding the**
 14 **expiration of IC 20-45-8 under IC 20-45-8-29(a). The".**

15 Page 47, line 18, delete "Sec. 11. (a) This section applies to a" and
 16 insert: **"Sec. 11. (a) This chapter does not apply to a qualified school**
 17 **corporation until the expiration of IC 20-45-8 under**
 18 **IC 20-45-8-29(a).".**

19 Page 47, delete lines 19 through 20.

20 Page 50, between lines 13 and 14, begin a new paragraph and insert:

21 "SECTION 42. IC 20-48-1-4, AS AMENDED BY P.L.38-2021,
 22 SECTION 69, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 23 JULY 1, 2023]: Sec. 4. (a) Bonds issued by a school corporation shall
 24 be sold:

25 (1) at a public sale; or

26 (2) alternatively, at a negotiated sale after June 30, 2018, and
 27 before July 1, ~~2023~~: **2025.**

28 (b) If the bonds are sold at a public sale, the bonds must be sold at:

29 (1) not less than par value;

30 (2) a public sale as provided by IC 5-1-11; and

31 (3) any rate or rates of interest determined by the bidding.

32 (c) This subsection does not apply to bonds for which a school
 33 corporation:

34 (1) after June 30, 2008, makes a preliminary determination as
 35 described in IC 6-1.1-20-3.1 or IC 6-1.1-20-3.5 or a decision as
 36 described in IC 6-1.1-20-5; or

37 (2) in the case of bonds not subject to IC 6-1.1-20-3.1,
 38 IC 6-1.1-20-3.5, or IC 6-1.1-20-5, adopts a resolution or ordinance
 39 authorizing the bonds after June 30, 2008.

40 If the net interest cost exceeds eight percent (8%) per year, the bonds
 41 must not be issued until the issuance is approved by the department of
 42 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.**

1 (iii) Southwest.

2 (iv) Southeast.

3 (2) One (1) governing board member who is a member of the
4 county executive and serves on the board by virtue of their
5 office. Notwithstanding section 14(c) of this chapter, the
6 member may not receive any compensation for serving on the
7 governing board but may be compensated for expenses.

8 (c) Beginning on the date specified in the ordinance establishing
9 the governing board, the following occurs:

10 (1) Only the governing board shall have the powers and duties
11 of a board of fire trustees that are set forth in section 15 of
12 this chapter or in any other statute. Unless expressly provided
13 otherwise, any reference in this chapter or other statute to a
14 board of fire trustees or a member of the board of fire
15 trustees is a reference to the governing board or a member of
16 the governing board.

17 (2) The board of fire trustees:

18 (A) continues in existence solely as an advisory body to the
19 governing board; and

20 (B) does not have any of the powers and duties of a board
21 of fire trustees that are set forth in section 15 of this
22 chapter or in any other statute.

23 Sections 12, 13, and 14 of this chapter continue to apply to the
24 administration of the board of fire trustees.

25 (d) Except as provided in subsection (e), the term of a member
26 appointed to the governing board is four (4) years. The terms
27 expire on the first Monday of January of the year their
28 appointments expire.

29 (e) The county legislative body may provide, in the ordinance
30 establishing the governing board, for the staggering of the terms of
31 the original governing board members appointed under subsection
32 (b)(1).

33 (f) If a vacancy occurs on the governing board, the county
34 legislative body shall appoint a member with the qualifications set
35 forth in this section for the unexpired term.

36 SECTION 59. IC 36-8-11-15, AS AMENDED BY P.L.127-2017,
37 SECTION 270, IS AMENDED TO READ AS FOLLOWS
38 [EFFECTIVE JULY 1, 2023]: Sec. 15. (a) The board:

39 (1) has the same powers and duties as a township executive with
40 respect to fire protection functions, including those duties and
41 powers prescribed by IC 36-8-13, although all cooperative and
42 joint actions permitted by that chapter must be undertaken

1 according to this chapter;

2 (2) has the same powers and duties as a township executive
3 relative to contracting with volunteer firefighting companies, as
4 prescribed by IC 36-8-12 and IC 36-8-13;

5 (3) shall appoint, fix the compensation, and prescribe the duties
6 of a fiscal officer, secretarial staff, persons performing special and
7 temporary services or providing legal counsel, and other
8 personnel considered necessary for the proper functioning of the
9 district; however, a person appointed as fiscal officer must be
10 bonded by good and sufficient sureties in an amount ordered by
11 the county legislative body to protect the district from financial
12 loss;

13 (4) shall exercise general supervision of and make regulations for
14 the administration of the district's affairs;

15 (5) shall prescribe uniform rules pertaining to investigations and
16 hearings;

17 (6) shall supervise the fiscal affairs and responsibilities of the
18 district;

19 (7) may delegate to employees of the district the authority to
20 perform ministerial acts, except in cases in which final action of
21 the board is necessary;

22 (8) shall keep accurate and complete records of all departmental
23 proceedings, record and file all bonds and contracts, and assume
24 responsibility for the custody and preservation of all papers and
25 documents of the district;

26 (9) shall make an annual report to the executive and the fiscal
27 body of the county that at least lists the financial transactions of
28 the district and a statement of the progress in accomplishing the
29 purposes for which the district has been established;

30 (10) shall adopt a seal and certify all official acts;

31 (11) may sue and be sued collectively by its legal name:

32 (A) ("Board of Fire Trustees, _____ Fire Protection
33 District"); or

34 (B) ("**Governing Board of _____ Fire Protection**
35 **District**"), if a governing board for the district is appointed
36 under section 12.5 of this chapter;

37 with service of process made on the chair of the board, but costs
38 may not be taxed against the members individually in an action;
39 (12) may invoke any legal, equitable, or special remedy for the
40 enforcement of this chapter or of proper action of the board taken
41 in a court;

42 (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:

1 (A) a public sale for not less than their par value; or

2 (B) a negotiated sale after June 30, 2018, and before July 1,
3 ~~2023~~; **2025**.

4 (d) The board may not have bonds of the district issued under this
5 section that are payable by special taxation when the total issue for that
6 purpose, including the bonds already issued or to be issued, exceeds
7 two percent (2%) of the adjusted value of the taxable property in the
8 district as determined under IC 36-1-15. All bonds or obligations
9 issued in violation of this subsection are void. The bonds are not
10 obligations or indebtedness of the unit, but constitute an indebtedness
11 of the district as a special taxing district. The bonds and interest are
12 payable only out of a special tax levied upon all the property of the
13 district as prescribed by this chapter. The bonds must recite the terms
14 upon their face, together with the purposes for which they are issued.

15 SECTION 59. IC 36-10-8-16, AS AMENDED BY P.L.38-2021,
16 SECTION 105, IS AMENDED TO READ AS FOLLOWS
17 [EFFECTIVE JULY 1, 2023]: Sec. 16. (a) A capital improvement may
18 be financed in whole or in part by the issuance of general obligation
19 bonds of the county or, if the board was created under IC 18-7-18
20 (before its repeal on February 24, 1982), also of the city, if the board
21 determines that the estimated annual net income of the capital
22 improvement, plus the estimated annual tax revenues to be derived
23 from any tax revenues made available for this purpose, will not be
24 sufficient to satisfy and pay the principal of and interest on all bonds
25 issued under this chapter, including the bonds then proposed to be
26 issued.

27 (b) If the board desires to finance a capital improvement in whole
28 or in part as provided in this section, it shall have prepared a resolution
29 to be adopted by the county executive authorizing the issuance of
30 general obligation bonds, or, if the board was created under IC 18-7-18
31 (before its repeal on February 24, 1982), by the fiscal body of the city
32 authorizing the issuance of general obligation bonds. The resolution
33 must set forth an itemization of the funds and assets received by the
34 board, together with the board's valuation and certification of the cost.
35 The resolution must state the date or dates on which the principal of the
36 bonds is payable, the maximum interest rate to be paid, and the other
37 terms upon which the bonds shall be issued. The board shall submit the
38 proposed resolution to the proper officers, together with a certificate to
39 the effect that the issuance of bonds in accordance with the resolution
40 will be in compliance with this section. The certificate must also state
41 the estimated annual net income of the capital improvement to be
42 financed by the bonds, the estimated annual tax revenues, and the

1 maximum amount payable in any year as principal and interest on the
 2 bonds issued under this chapter, including the bonds proposed to be
 3 issued, at the maximum interest rate set forth in the resolution. The
 4 bonds issued may mature over a period not exceeding forty (40) years
 5 from the date of issue.

6 (c) Upon receipt of the resolution and certificate, the proper officers
 7 may adopt them and take all action necessary to issue the bonds in
 8 accordance with the resolution. An action to contest the validity of
 9 bonds issued under this section and sold at a public sale may not be
 10 brought after the fifteenth day following the receipt of bids for the
 11 bonds.

12 (d) The provisions of all general statutes relating to:

13 (1) the filing of a petition requesting the issuance of bonds and
 14 giving notice;

15 (2) the right of:

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

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

21 (3) the giving of notice of the determination to issue bonds;

22 (4) the giving of notice of a hearing on the appropriation of the
 23 proceeds of bonds;

24 (5) the right of taxpayers to appear and be heard on the proposed
 25 appropriation;

26 (6) the approval of the appropriation by the department of local
 27 government finance; and

28 (7) the sale of bonds at a public sale or at a negotiated sale after
 29 June 30, 2018, and before July 1, ~~2023~~; **2025**;

30 apply to the issuance of bonds under this section.

31 SECTION 60. IC 36-10-9-15, AS AMENDED BY P.L.38-2021,
 32 SECTION 106, IS AMENDED TO READ AS FOLLOWS
 33 [EFFECTIVE JULY 1, 2023]: Sec. 15. (a) A capital improvement may
 34 be financed in whole or in part by the issuance of general obligation
 35 bonds of the county.

36 (b) If the board desires to finance a capital improvement in whole
 37 or in part as provided in this section, it shall have prepared a resolution
 38 to be adopted by the board of commissioners of the county authorizing
 39 the issuance of general obligation bonds. The resolution must state the
 40 date or dates on which the principal of the bonds is payable, the
 41 maximum interest rate to be paid, and the other terms upon which the
 42 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

1 shall be affixed and attested by the secretary of the board. The interest
 2 coupons attached to the bonds shall be executed by placing the
 3 facsimile signature of the treasurer on them. The bonds shall be sold by
 4 the board:

5 (1) at a public sale for not less than the par value; or

6 (2) alternatively, at a negotiated sale after June 30, 2018, and
 7 before July 1, ~~2023~~: **2025**.

8 Notice of sale shall be published in accordance with IC 5-3-1.

9 (b) If the bonds are sold at a public sale, the board shall award the
 10 bonds to the highest bidder as determined by computing the total
 11 interest on the bonds from the date of issue to the dates of maturity and
 12 deducting the premium bid, if any, unless the board determines that no
 13 acceptable bid has been received. In that case the sale may be
 14 continued from day to day, not to exceed thirty (30) days. A bid may
 15 not be accepted that is lower than the highest bid received at the time
 16 fixed for sale in the bond sale notice.

17 (c) Any premium received from the sale of the bonds shall be used
 18 solely for the payment of principal and interest on the bonds. The board
 19 may also issue refunding bonds under IC 5-1-5.

20 SECTION 62. IC 36-10-11-21, AS AMENDED BY P.L.38-2021,
 21 SECTION 110, IS AMENDED TO READ AS FOLLOWS
 22 [EFFECTIVE JULY 1, 2023]: Sec. 21. (a) The bonds shall be executed
 23 by the president of the board, and the corporate seal of the authority
 24 shall be affixed and attested by the secretary of the board. The interest
 25 coupons attached to the bonds shall be executed by placing the
 26 facsimile signature of the treasurer on them. The bonds shall be sold by
 27 the board:

28 (1) at public sale for not less than the par value; or

29 (2) alternatively, at a negotiated sale after June 30, 2018, and
 30 before July 1, ~~2023~~: **2025**.

31 Notice of sale shall be published in accordance with IC 5-3-1.

32 (b) If the bonds are sold at a public sale, the board shall award the
 33 bonds to the highest bidder as determined by computing the total
 34 interest on the bonds from the date of issue to the dates of maturity and
 35 deducting the premium bid, if any. If the bonds are not sold on the date
 36 fixed for the sale, the sale may be continued from day to day until a
 37 satisfactory bid has been received.

38 (c) Any premium received from the sale of the bonds shall be used
 39 solely for the payment of principal and interest on the bonds.

40 (d) Before the preparation of definitive bonds, temporary bonds may
 41 under like restrictions be issued with or without coupons, exchangeable
 42 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 **(1) The property tax exemption for the eligible property shall**
 2 **be allowed and granted for the applicable assessment date by**
 3 **the county assessor and county auditor of the county in which**
 4 **the eligible property is located.**
 5 **(2) The owner of the eligible property is not required to pay**
 6 **any property taxes, penalties, or interest with respect to the**
 7 **eligible property for the applicable assessment date.**
 8 **(g) The exemption allowed by this SECTION shall be applied**
 9 **without the need for any further ruling or action by the county**
 10 **assessor, the county auditor, or the county property tax assessment**
 11 **board of appeals of the county in which the eligible property is**
 12 **located or by the Indiana board of tax review.**
 13 **(h) To the extent the owner of the eligible property has paid any**
 14 **property taxes, penalties, or interest with respect to the eligible**
 15 **property for an applicable date and to the extent that the eligible**
 16 **property is exempt from taxation as provided in this SECTION,**
 17 **the owner of the eligible property is entitled to a refund of the**
 18 **amounts paid. The owner is not entitled to any interest on the**
 19 **refund under IC 6-1.1 or any other law to the extent interest has**
 20 **not been paid by or on behalf of the owner. Notwithstanding the**
 21 **filing deadlines for a claim under IC 6-1.1-26, any claim for a**
 22 **refund filed by the owner of eligible property under this SECTION**
 23 **before September 1, 2023, is considered timely filed. The county**
 24 **auditor shall pay the refund due under this SECTION in one (1)**
 25 **installment.**
 26 **(i) This SECTION expires June 30, 2024."**
 27 Renumber all SECTIONS consecutively.
 (Reference is to HB 1454 as printed February 9, 2023.)

and when so amended that said bill do pass .

Committee Vote: Yeas 11, Nays 1.

Senator Holdman, Chairperson