SENATE BILL No. 46

AM004604 has been incorporated into February 1, 2023 printing.

Synopsis: County option circuit breaker tax credit.

M

e

r

e

SB 46—LS 6362/DI 120



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

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

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

Conflict reconciliation: Text in a statute in *this style type* or *this style type* reconciles conflicts between statutes enacted by the 2022 Regular Session of the General Assembly.

SENATE BILL No. 46

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

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

SECTION 1. IC 6-1.1-49 IS ADDED TO THE INDIANA CODE

2	AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE	
3	JULY 1, 2023]:	
4	Chapter 49. County Option Circuit Breaker Tax Credit	
5	Sec. 1. As used in this chapter, "homestead" refers to a	
6	homestead that has been granted a standard deduction under	
7	IC 6-1.1-12-37.	
8	Sec. 2. As used in this chapter, "qualified individual" means an	
9	individual who:	
10	(1) has received a standard deduction granted under	
11	IC 6-1.1-12-37 for the individual's homestead property in the	
12	immediately preceding calendar year (or was married at the	
13	time of death to a deceased spouse who qualified for a	
14	standard deduction granted under IC 6-1.1-12-37 for the	
15	individual's homestead property in the immediately	
16	preceding calendar year);	
17	(2) is receiving a standard deduction granted under	

IC 6-1.1-12-37 for the same homestead property in the

SB 46-LS 6362/DI 120

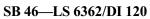


18

1

DOCUMENT HAS NOT BEEN CHECKED FOR ACCURACY

1	current calendar year;	
2	(3) has lived in the homestead for at least ten (10) years on or	
3	before December 31 of the calendar year immediately	
4	preceding the current calendar year;	
5	(4) is fifty-five (55) years of age or older on or before	
6	December 31 of the calendar year preceding the year in	
7	which the credit is claimed; and	
8	(5) had:	
9	(A) in the case of an individual who filed a single return,	
10	adjusted gross income (as defined in Section 62 of the	
11	Internal Revenue Code) not exceeding the amount	
12	specified in the ordinance adopted by the county under	
13	section 3(c)(2) of this chapter; or	
14	(B) in the case of an individual who filed a joint income	
15	tax return with the individual's spouse, combined	
16	adjusted gross income (as defined in Section 62 of the	
17	Internal Revenue Code) not exceeding the amount	
18	specified in the ordinance adopted by the county under	
19	section 3(c)(2) of this chapter;	
20	for the calendar year preceding by two (2) years the calendar	
21	year in which property taxes are first due and payable.	
22	Sec. 3. (a) A county fiscal body may adopt an ordinance to	
23	provide a credit against a qualified individual's property tax	
24	liability as set forth in this chapter.	
25	(b) An ordinance adopted under this section may designate:	
26	(1) all of the territory of the county; or	
27	(2) one (1) or more specific geographic territories within the	
28	county;	
29	as an area in which qualified individuals may apply for the credit.	
30	(c) An ordinance adopted under this section must:	
31	(1) include a boundary description of the geographic area or	
32	areas to which the ordinance applies;	
33	(2) specify the income thresholds for a qualified individual	
34	under section 2(5)(A) and 2(5)(B) of this chapter, if any; and	
35	(3) specify the percentage of increase on a qualified	
36	individual's property tax liability in a particular year	
37	compared to the prior year that is to be used in determining	
38	the amount of the county option circuit breaker tax credit	5
39	calculated under section 6(2)(B) of this chapter. The	
40	percentage must be at least two percent (2%) but not more	
41	than five percent (5%).	
42	The boundary description required under subdivision (1) must be	



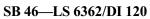


1	sufficient to identify the parcel or parcels to which the credit may	
2	be applied, including identification by taxing district, a parcel list,	
3	or a legal description.	
4	(d) If a proposal is presented to the county fiscal body to adopt	
5	an ordinance under this section, the county fiscal body shall hear	
6	the proposal at a public meeting of the county fiscal body and may	
7	then vote to adopt the ordinance at the next meeting of the county	
8	fiscal body.	
9	(e) The county fiscal body may rescind an ordinance adopted	
.0	under this section.	
1	(f) An ordinance adopted under this section is effective	
2	January 1 of the year following the year in which the ordinance is	
3	adopted.	
4	(g) An ordinance adopted under this section must specify that	
.5	the credit does not apply for property taxes first due and payable	
.6	after December 31, 2027.	
7	Sec. 4. If a county fiscal body adopts an ordinance to either	
8	provide the credit under this chapter or rescind an ordinance	
9	previously adopted, the county fiscal body shall, not later than	
20	fifteen (15) days after the adoption of the ordinance, give notice of	
21	the adoption of the ordinance to:	
22	(1) the department of local government finance on the form	
23	and in the manner prescribed by the department of local	
24	government finance;	
25	(2) the county auditor; and	
26	(3) the fiscal officer of each taxing unit within the geographic	
27	area or areas to which the ordinance applies;	
28	including a certified copy of the adopted ordinance.	
29	Sec. 5. (a) A qualified individual who desires to claim the	
80	credit under this chapter must apply for the credit by filing a	
31	certified statement on forms prescribed by the department of local	
32	government finance with the county auditor. However, a qualified	
33	individual who remains eligible for the credit in the following year	
34	is not required to file a statement to apply for the credit in the	
35	following year.	
86	(b) An individual who has a credit provided under this chapter	
37	applied to the individual's property tax liability in a particular	
88	calendar year may not also have a credit under IC 6-1.1-20.6-8.5	
39	applied to the individual's property tax liability in the same	
10	calendar year.	
1	Sec. 6. The amount of the credit under this chapter is equal to	-
12	the greater of zero (0) or the result of:	

SB 46—LS 6362/DI 120



1	(1) the property tax liability first due and payable on the	
2	qualified individual's homestead property for the calendar	
3	year (excluding any property tax liability imposed in a voter	
4	approved referendum levy); minus	
5	(2) the result of:	
6	(A) the property tax liability first due and payable on	
7	the qualified individual's homestead property for the	
8	immediately preceding year after the application of the	
9	credit granted under this section for that year	
10	(excluding any property tax liability imposed in a voter	
11	approved referendum levy); multiplied by	
12	(B) the sum of:	
13	(i) the percentage adopted in an ordinance under	
14	section 3(c)(3) of this chapter, expressed as a	
15	decimal; plus	
16	(ii) one (1).	
17	However, the credit provided by this chapter shall not apply to any	
18	portion of property tax liability imposed on a qualified individual's	
19	homestead property that is used for trade or business purposes in	
20	connection with the production of income. In addition, the credit	
21	does not affect the allocation of taxes to a referendum fund.	
22	Sec. 7. The auditor of each county shall, in a particular year,	
23	apply a credit provided under this chapter to each qualified	
24	individual who received the credit in the preceding year unless the	
25	county auditor determines that the individual is no longer eligible	
26	for the credit or the county fiscal body rescinds the ordinance that	
27	provided the credit.	
28	Sec. 8. (a) If an individual who is receiving the credit provided	
29	by this chapter:	
30	(1) knows or should have known that the individual does not	
31 32	qualify for the credit under this chapter; or (2) changes the use of the individual's property so that part	
33	or all of the property no longer qualifies for the credit under	
34	this chapter;	
35	the individual must file a certified statement with the county	
36	auditor, notifying the county auditor that subdivision (1) or (2)	
37	applies, not more than sixty (60) days after the date subdivision (1)	
38	or (2) first applies.	
39	(b) An individual who fails to file the statement required by	
40	this section is liable for any additional taxes that would have been	
41	due on the property if the individual had filed the statement as	
42	required by this section, plus a civil penalty equal to ten percent	
-	of this section, plan a seem percent	





(10%) of the additional taxes due. The additional taxes owed plu
the civil penalty become part of the property tax liability fo
purposes of this article.

(c) The civil penalty imposed under this section is in addition to any interest and penalties for a delinquent payment that might otherwise be due. One percent (1%) of the total civil penalty collected under this section shall be transferred by the county to the department of local government finance for use by the department in establishing and maintaining the homestead property data base under IC 6-1.1-12-37(i) and, to the extent there is money remaining, for any other purposes of the department.

Sec. 9. This chapter expires January 1, 2028.

e r

SB 46—LS 6362/DI 120

