

# PROPOSED AMENDMENT

## HB 1177 # 5

### DIGEST

Tax deductions. Increases the property tax deduction for a veteran who is totally disabled to an amount equal to 100% of the assessed value of the individual's real property (instead of \$14,000). Expires property tax deductions for certain veterans, and, beginning with property taxes imposed for the 2026 assessment date and thereafter, instead provides a property tax liability credit against local property taxes for veterans who previously claimed a deduction. Includes a mechanism to establish an additional maximum property tax liability credit for a veteran who previously claimed a deduction. Allows a totally disabled veteran who rents a dwelling as a principal place of residence to claim an additional renter's deduction of up to \$20,000 from the disabled veteran's adjusted gross income. Allows a partially disabled veteran who rents a dwelling as a principal place of residence to claim an additional renter's deduction of up to \$10,000 from the disabled veteran's adjusted gross income.

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- 1           Page 3, between lines 39 and 40, begin a new paragraph and insert:  
2           "SECTION 6. IC 6-1.1-12-13, AS AMENDED BY P.L.230-2025,  
3           SECTION 31, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
4           JANUARY 1, 2026 (RETROACTIVE)]: Sec. 13. (a) Except as  
5           provided in section 40.5 of this chapter, an individual may have  
6           twenty-four thousand nine hundred sixty dollars (\$24,960) deducted  
7           from the assessed value of the taxable tangible property that the  
8           individual owns, or real property, a mobile home not assessed as real  
9           property, or a manufactured home not assessed as real property that the  
10          individual is buying under a contract that provides that the individual  
11          is to pay property taxes on the real property, mobile home, or  
12          manufactured home, if the contract or a memorandum of the contract  
13          is recorded in the county recorder's office and if:  
14               (1) the individual served in the military or naval forces of the  
15               United States during any of its wars;  
16               (2) the individual received an honorable discharge;  
17               (3) the individual has a disability with a service connected  
18               disability of ten percent (10%) or more;  
19               (4) the individual's disability is evidenced by:  
20                    (A) a pension certificate, an award of compensation, or a  
21                    disability compensation check issued by the United States  
22                    Department of Veterans Affairs; or

1 (B) a certificate of eligibility issued to the individual by the  
 2 Indiana department of veterans' affairs after the Indiana  
 3 department of veterans' affairs has determined that the  
 4 individual's disability qualifies the individual to receive a  
 5 deduction under this section; and

6 (5) the individual:

7 (A) owns the real property, mobile home, or manufactured  
 8 home; or

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

11 on the date the statement required by section 15 of this chapter is  
 12 filed.

13 (b) The surviving spouse of an individual may receive the deduction  
 14 provided by this section if the individual satisfied the requirements of  
 15 subsection (a)(1) through (a)(4) at the time of death and the surviving  
 16 spouse satisfies the requirement of subsection (a)(5) at the time the  
 17 deduction statement is filed. The surviving spouse is entitled to the  
 18 deduction regardless of whether the property for which the deduction  
 19 is claimed was owned by the deceased veteran or the surviving spouse  
 20 before the deceased veteran's death.

21 (c) One who receives the deduction provided by this section may not  
 22 receive the deduction provided by section 16 of this chapter. However,  
 23 the individual may receive any other property tax deduction which the  
 24 individual is entitled to by law.

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

32 **(e) This section applies only to property taxes imposed for an**  
 33 **assessment date before January 1, 2026.**

34 **(f) This section expires January 1, 2028.**

35 SECTION 7. IC 6-1.1-12-14, AS AMENDED BY P.L.230-2025,  
 36 SECTION 32, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 37 JANUARY 1, 2026 (RETROACTIVE)]: Sec. 14. (a) Except as  
 38 provided in subsection (c) and except as provided in section 40.5 of  
 39 this chapter, an individual may have ~~the sum of fourteen thousand~~  
 40 ~~dollars (\$14,000)~~ **one hundred percent (100%) of the assessed value**

deducted from the assessed value of the real property, mobile home not assessed as real property, or manufactured home not assessed as real property that the individual owns (or the real property, mobile home not assessed as real property, or manufactured home not assessed as real property that the individual is buying under a contract that provides that the individual is to pay property taxes on the real property, mobile home, or manufactured home if the contract or a memorandum of the contract is recorded in the county recorder's office) if:

- (1) the individual served in the military or naval forces of the United States for at least ninety (90) days;
  - (2) the individual received an honorable discharge;
  - (3) the individual ~~either:~~
    - ~~(A) has a total disability; or~~
    - ~~(B) is at least sixty-two (62) years old; and has a disability of at least ten percent (10%);~~
  - (4) the individual's disability is evidenced by:
    - (A) a pension certificate or an award of compensation issued by the United States Department of Veterans Affairs; or
    - (B) a certificate of eligibility issued to the individual by the Indiana department of veterans' affairs after the Indiana department of veterans' affairs has determined that the individual's disability qualifies the individual to receive a deduction under this section; and
  - (5) the individual:
    - (A) owns the real property, mobile home, or manufactured home; or
    - (B) is buying the real property, mobile home, or manufactured home under contract;
- on the date the statement required by section 15 of this chapter is filed.

(b) Except as provided in subsections (c) and (d), the surviving spouse of an individual may receive the deduction provided by this section if:

- (1) the individual satisfied the requirements of subsection (a)(1) through (a)(4) at the time of death; or
- (2) the individual:
  - (A) was killed in action;
  - (B) died while serving on active duty in the military or naval forces of the United States; or

1 (C) died while performing inactive duty training in the military  
2 or naval forces of the United States; and  
3 the surviving spouse satisfies the requirement of subsection (a)(5) at  
4 the time the deduction statement is filed. The surviving spouse is  
5 entitled to the deduction regardless of whether the property for which  
6 the deduction is claimed was owned by the deceased veteran or the  
7 surviving spouse before the deceased veteran's death.

8 (c) Except as provided in subsection (f), no one is entitled to the  
9 deduction provided by this section if the assessed value of the  
10 individual's Indiana real property, Indiana mobile home not assessed as  
11 real property, and Indiana manufactured home not assessed as real  
12 property, as shown by the tax duplicate, exceeds the assessed value  
13 limit specified in subsection (d).

14 (d) Except as provided in subsection (f), for the:

15 (1) January 1, 2017, January 1, 2018, and January 1, 2019,  
16 assessment dates, the assessed value limit for purposes of  
17 subsection (c) is one hundred seventy-five thousand dollars  
18 (\$175,000);

19 (2) January 1, 2020, January 1, 2021, January 1, 2022, and  
20 January 1, 2023, assessment dates, the assessed value limit for  
21 purposes of subsection (c) is two hundred thousand dollars  
22 (\$200,000); and

23 (3) January 1, 2024, assessment date and for each assessment date  
24 thereafter, the assessed value limit for purposes of subsection (c)  
25 is two hundred forty thousand dollars (\$240,000).

26 (e) An individual who has sold real property, a mobile home not  
27 assessed as real property, or a manufactured home not assessed as real  
28 property to another person under a contract that provides that the  
29 contract buyer is to pay the property taxes on the real property, mobile  
30 home, or manufactured home may not claim the deduction provided  
31 under this section against that real property, mobile home, or  
32 manufactured home.

33 (f) For purposes of determining the assessed value of the real  
34 property, mobile home, or manufactured home under subsection (d) for  
35 an individual who has received a deduction under this section in a  
36 previous year, increases in assessed value that occur after the later of:

37 (1) December 31, 2019; or

38 (2) the first year that the individual has received the deduction;  
39 are not considered unless the increase in assessed value is attributable  
40 to substantial renovation or new improvements. Where there is an

1 increase in assessed value for purposes of the deduction under this  
2 section, the assessor shall provide a report to the county auditor  
3 describing the substantial renovation or new improvements, if any, that  
4 were made to the property prior to the increase in assessed value.

5 SECTION 8. IC 6-1.1-12-14.5, AS AMENDED BY P.L.230-2025,  
6 SECTION 33, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
7 JANUARY 1, 2026 (RETROACTIVE)]: Sec. 14.5. (a) As used in this  
8 section, "homestead" has the meaning set forth in section 37 of this  
9 chapter.

10 (b) An individual may claim a deduction from the assessed value of  
11 the individual's homestead if:

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

14 (2) the individual received an honorable discharge;

15 (3) the individual has a disability of at least fifty percent (50%);

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

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

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

24 (5) the homestead was conveyed without charge to the individual  
25 who is the owner of the homestead by an organization that is  
26 exempt from income taxation under the federal Internal Revenue  
27 Code.

28 (c) If an individual is entitled to a deduction from assessed value  
29 under subsection (b) for the individual's homestead, the amount of the  
30 deduction is determined as follows:

31 (1) If the individual is totally disabled, the deduction is equal to  
32 one hundred percent (100%) of the assessed value of the  
33 homestead.

34 (2) If the individual has a disability of at least ninety percent  
35 (90%) but the individual is not totally disabled, the deduction is  
36 equal to ninety percent (90%) of the assessed value of the  
37 homestead.

38 (3) If the individual has a disability of at least eighty percent  
39 (80%) but less than ninety percent (90%), the deduction is equal  
40 to eighty percent (80%) of the assessed value of the homestead.

(4) If the individual has a disability of at least seventy percent (70%) but less than eighty percent (80%), the deduction is equal to seventy percent (70%) of the assessed value of the homestead.

(5) If the individual has a disability of at least sixty percent (60%) but less than seventy percent (70%), the deduction is equal to sixty percent (60%) of the assessed value of the homestead.

(6) If the individual has a disability of at least fifty percent (50%) but less than sixty percent (60%), the deduction is equal to fifty percent (50%) of the assessed value of the homestead.

(d) An individual who claims a deduction under this section for an assessment date may not also claim a deduction under section 13 **(before its expiration)** or 14 of this chapter for that same assessment date.

(e) An individual who desires to claim the deduction under this section must claim the deduction in the manner specified by the department of local government finance.

SECTION 9. IC 6-1.1-12-15, AS AMENDED BY P.L.230-2025, SECTION 34, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2026 (RETROACTIVE)]: Sec. 15. (a) Except as provided in section 17.8 of this chapter and subject to section 45 of this chapter, an individual who desires to claim the deduction provided by section ~~13~~ or 14 of this chapter must file a statement with the auditor of the county in which the individual resides. To obtain the deduction for a desired calendar year in which property taxes are first due and payable, the statement must be completed, dated, and filed with the county auditor on or before January 15 of the calendar year in which the property taxes are first due and payable. The statement may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing. The statement shall contain a sworn declaration that the individual is entitled to the deduction.

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

~~(1) a pension certificate, an award of compensation, or a disability compensation check issued by the United States Department of Veterans Affairs if the individual claims the deduction provided by section 13 of this chapter;~~

~~(2)~~ (1) a pension certificate or an award of compensation issued by the United States Department of Veterans Affairs if the individual claims the deduction provided by section 14 of this chapter; or

(2) the appropriate certificate of eligibility issued to the individual by the Indiana department of veterans' affairs if the individual claims the deduction provided by section 13 or 14 of this chapter.

(c) If the individual claiming the deduction is under guardianship, the guardian shall file the statement required by this section. If a deceased veteran's surviving spouse is claiming the deduction, the surviving spouse shall provide the documentation necessary to establish that at the time of death the deceased veteran satisfied the requirements of ~~section 13(a)(1) through 13(a)(4) of this chapter,~~ section 14(a)(1) through 14(a)(4) of this chapter or section 14(b)(2) of this chapter, whichever applies.

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

SECTION 10. IC 6-1.1-12-16, AS AMENDED BY P.L.68-2025, SECTION 28, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2026 (RETROACTIVE)]: Sec. 16. (a) Except as provided in section 40.5 of this chapter, a surviving spouse may have the sum of eighteen thousand seven hundred twenty dollars (\$18,720) deducted from the assessed value of the surviving spouse's tangible property, or real property, mobile home not assessed as real property, or manufactured home not assessed as real property that the surviving spouse is buying under a contract that provides that the surviving spouse is to pay property taxes on the real property, mobile home, or manufactured home, if the contract or a memorandum of the contract is recorded in the county recorder's office, and if:

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

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

(3) the surviving spouse:

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

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

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

1 filed.

2 (b) A surviving spouse who receives the deduction provided by this  
3 section may not receive the deduction provided by section 13 **(before**  
4 **its expiration)** of this chapter. However, the surviving spouse may  
5 receive any other deduction which the surviving spouse is entitled to  
6 by law.

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

14 (d) This section applies only to property taxes imposed for an  
15 assessment date before January 1, 2025.

16 (e) This section expires January 1, 2027.

17 SECTION 11. IC 6-1.1-12-17.8, AS AMENDED BY THE  
18 TECHNICAL CORRECTIONS BILL OF THE 2026 GENERAL  
19 ASSEMBLY, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
20 JANUARY 1, 2026 (RETROACTIVE)]: Sec. 17.8. (a) An individual  
21 who receives a deduction provided under section 9 (before its  
22 expiration), 11 (before its expiration), 13 **(before its expiration)**, 14,  
23 16 (before its expiration), 17.4 (before its expiration), or 37 of this  
24 chapter in a particular year and who remains eligible for the deduction  
25 in the following year is not required to file a statement to apply for the  
26 deduction in the following year. However, for purposes of a deduction  
27 under section 37 of this chapter, the county auditor may, in the county  
28 auditor's discretion, terminate the deduction for assessment dates after  
29 January 15, 2012, if the individual does not comply with the  
30 requirement in IC 6-1.1-22-8.1(b)(9) (expired January 1, 2015), as  
31 determined by the county auditor, before January 1, 2013. Before the  
32 county auditor terminates the deduction because the taxpayer claiming  
33 the deduction did not comply with the requirement in  
34 IC 6-1.1-22-8.1(b)(9) (expired January 1, 2015) before January 1, 2013,  
35 the county auditor shall mail notice of the proposed termination of the  
36 deduction to:

- 37 (1) the last known address of each person liable for any property  
38 taxes or special assessment, as shown on the tax duplicate or  
39 special assessment records; or  
40 (2) the last known address of the most recent owner shown in the



1 transfer book.

2 (b) An individual who receives a deduction provided under section  
 3 9 (before its expiration), 11 (before its expiration), 13 (**before its**  
 4 **expiration**), 14, 16 (before its expiration), or 17.4 (before its  
 5 expiration) of this chapter in a particular year and who becomes  
 6 ineligible for the deduction in the following year shall notify the auditor  
 7 of the county in which the real property, mobile home, or manufactured  
 8 home for which the individual claims the deduction is located of the  
 9 individual's ineligibility in the year in which the individual becomes  
 10 ineligible. An individual who becomes ineligible for a deduction under  
 11 section 37 of this chapter shall notify the county auditor of the county  
 12 in which the property is located in conformity with section 37 of this  
 13 chapter.

14 (c) The auditor of each county shall, in a particular year, apply a  
 15 deduction provided under section 9 (before its expiration), 11 (before  
 16 its expiration), 13 (**before its expiration**), 14, 16 (before its  
 17 expiration), 17.4 (before its expiration), or 37 of this chapter to each  
 18 individual who received the deduction in the preceding year unless the  
 19 auditor determines that the individual is no longer eligible for the  
 20 deduction.

21 (d) An individual who receives a deduction provided under section  
 22 9 (before its expiration), 11 (before its expiration), 13 (**before its**  
 23 **expiration**), 14, 16 (before its expiration), 17.4 (before its expiration),  
 24 or 37 of this chapter for property that is jointly held with another owner  
 25 in a particular year and remains eligible for the deduction in the  
 26 following year is not required to file a statement to reapply for the  
 27 deduction following the removal of the joint owner if:

- 28 (1) the individual is the sole owner of the property following the
- 29 death of the individual's spouse; or
- 30 (2) the individual is the sole owner of the property following the
- 31 death of a joint owner who was not the individual's spouse.

32 If a county auditor terminates a deduction under section 9 of this  
 33 chapter (before its expiration), a deduction under section 37 of this  
 34 chapter, or a credit under IC 6-1.1-20.6-8.5 after June 30, 2017, and  
 35 before May 1, 2019, because the taxpayer claiming the deduction or  
 36 credit did not comply with a requirement added to this subsection by  
 37 P.L.255-2017 to reapply for the deduction or credit, the county auditor  
 38 shall reinstate the deduction or credit if the taxpayer provides proof that  
 39 the taxpayer is eligible for the deduction or credit and is not claiming  
 40 the deduction or credit for any other property.

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

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

However, for purposes of a deduction under section 37 of this chapter, the individuals that qualify the trust for a deduction must comply with the requirement in IC 6-1.1-22-8.1(b)(9) (expired January 1, 2015) before January 1, 2013.

(f) A cooperative housing corporation (as defined in 26 U.S.C. 216) that is entitled to a deduction under section 37 of this chapter in the immediately preceding calendar year for a homestead (as defined in section 37 of this chapter) is not required to file a statement to apply for the deduction for the current calendar year if the cooperative housing corporation remains eligible for the deduction for the current calendar year. However, the county auditor may, in the county auditor's discretion, terminate the deduction for assessment dates after January 15, 2012, if the individual does not comply with the requirement in IC 6-1.1-22-8.1(b)(9) (expired January 1, 2015), as determined by the county auditor, before January 1, 2013. Before the county auditor terminates a deduction because the taxpayer claiming the deduction did not comply with the requirement in IC 6-1.1-22-8.1(b)(9) (expired January 1, 2015) before January 1, 2013, the county auditor shall mail notice of the proposed termination of the deduction to:

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

(g) An individual who:

- (1) was eligible for a homestead credit under IC 6-1.1-20.9

(repealed) for property taxes imposed for the March 1, 2007, or January 15, 2008, assessment date; or

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

is not required to file a statement to apply for a deduction under section 37 of this chapter if the individual remains eligible for the deduction in the current year. An individual who filed for a homestead credit under IC 6-1.1-20.9 (repealed) for an assessment date after March 1, 2007 (if the property is real property), or after January 1, 2008 (if the property is personal property), shall be treated as an individual who has filed for a deduction under section 37 of this chapter. However, the county auditor may, in the county auditor's discretion, terminate the deduction for assessment dates after January 15, 2012, if the individual does not comply with the requirement in IC 6-1.1-22-8.1(b)(9) (expired January 1, 2015), as determined by the county auditor, before January 1, 2013. Before the county auditor terminates the deduction because the taxpayer claiming the deduction did not comply with the requirement in IC 6-1.1-22-8.1(b)(9) (expired January 1, 2015) before January 1, 2013, the county auditor shall mail notice of the proposed termination of the deduction to the last known address of each person liable for any property taxes or special assessment, as shown on the tax duplicate or special assessment records, or to the last known address of the most recent owner shown in the transfer book.

(h) If a county auditor terminates a deduction because the taxpayer claiming the deduction did not comply with the requirement in IC 6-1.1-22-8.1(b)(9) (expired January 1, 2015) before January 1, 2013, the county auditor shall reinstate the deduction if the taxpayer provides proof that the taxpayer is eligible for the deduction and is not claiming the deduction for any other property.

(i) A taxpayer described in section 37(r) of this chapter is not required to file a statement to apply for the deduction provided by section 37 of this chapter if the property owned by the taxpayer remains eligible for the deduction for that calendar year.

SECTION 12. IC 6-1.1-12-17.9, AS AMENDED BY P.L.230-2025, SECTION 36, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2026 (RETROACTIVE)]: Sec. 17.9. A trust is entitled to a deduction under section 9 (before its expiration), 11 (before its expiration), 13 (**before its expiration**), 14, 16 (before its expiration),

or 17.4 (before its expiration) of this chapter for real property owned by the trust and occupied by an individual if the county auditor determines that the individual:

(1) upon verification in the body of the deed or otherwise, has either:

(A) a beneficial interest in the trust; or

(B) the right to occupy the real property rent free under the terms of a qualified personal residence trust created by the individual under United States Treasury Regulation 25.2702-5(c)(2); and

(2) otherwise qualifies for the deduction.

SECTION 13. IC 6-1.1-12-43, AS AMENDED BY P.L.230-2025, SECTION 37, AND AS AMENDED BY P.L.186-2025, SECTION 292, AND AS AMENDED BY THE TECHNICAL CORRECTIONS BILL OF THE 2026 GENERAL ASSEMBLY, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2026 (RETROACTIVE)]: Sec. 43. (a) For purposes of this section:

(1) "benefit" refers to a deduction under section 9 (before its expiration), 11 (before its expiration), 13 (*before its expiration*), 14, (~~*before its expiration*~~), 16 (before its expiration), 17.4 (before its expiration), 26 (before its expiration), 29 (before its expiration), 33 (before its expiration), 34 (before its expiration), 37, or 37.5 of this chapter;

(2) "closing agent" means a person that closes a transaction;

(3) "customer" means an individual who obtains a loan in a transaction; and

(4) "transaction" means a single family residential:

(A) first lien purchase money mortgage transaction; or

(B) refinancing transaction.

(b) Before closing a transaction after December 31, 2004, a closing agent must provide to the customer the form referred to in subsection (c).

(c) ~~Before June 1, 2004,~~ The department of local government finance shall prescribe the form to be provided by closing agents to customers under subsection (b). The department shall make the form available to closing agents, county assessors, county auditors, and county treasurers in hard copy and electronic form. County assessors, county auditors, and county treasurers shall make the form available to the general public. The form must:

(1) on one (1) side:

- 1 (A) list each benefit; and
- 2 (B) list the eligibility criteria for each benefit;
- 3 (2) on the other side indicate:
  - 4 (A) each action by and each type of documentation from the
  - 5 customer required to file for each benefit; and
  - 6 (B) sufficient instructions and information to permit a party to
  - 7 terminate a standard deduction under section 37 of this chapter
  - 8 on any property on which the party or the spouse of the party
  - 9 will no longer be eligible for the standard deduction under
  - 10 section 37 of this chapter after the party or the party's spouse
  - 11 begins to reside at the property that is the subject of the
  - 12 closing, including an explanation of the tax consequences and
  - 13 applicable penalties, if a party unlawfully claims a standard
  - 14 deduction under section 37 of this chapter; and
  - 15 (3) be printed in one (1) of two (2) or more colors prescribed by
  - 16 the department of local government finance that distinguish the
  - 17 form from other documents typically used in a closing referred to
  - 18 in subsection (b).
- 19 (d) A closing agent:
  - 20 (1) may reproduce the form referred to in subsection (c);
  - 21 (2) in reproducing the form, must use a print color prescribed by
  - 22 the department of local government finance; and
  - 23 (3) is not responsible for the content of the form referred to in
  - 24 subsection (c) and shall be held harmless by the department of
  - 25 local government finance from any liability for the content of the
  - 26 form.
- 27 *(e) This subsection applies to a transaction that is closed after*
- 28 *December 31, 2009. In addition to providing the customer the form*
- 29 *described in subsection (c) before closing the transaction, a closing*
- 30 *agent shall do the following as soon as possible after the closing, and*
- 31 *within the time prescribed by the department of insurance under*
- 32 *IC 27-7-3-15.5:*
  - 33 *(1) To the extent determinable, input the information described in*
  - 34 *IC 27-7-3-15.5(c)(2) into the system maintained by the*
  - 35 *department of insurance under IC 27-7-3-15.5.*
  - 36 *(2) Submit the form described in IC 27-7-3-15.5(c) to the data*
  - 37 *base described in IC 27-7-3-15.5(c)(2)(D).*
- 38 *(f) A closing agent to which this section applies shall document the*
- 39 *closing agent's compliance with this section with respect to each*
- 40 *transaction in the form of verification of compliance signed by the*

1 *customer.*

2 *(g) Subject to IC 27-7-3-15.5(d), a closing agent is subject to a civil*  
 3 *penalty of twenty-five dollars (\$25) for each instance in which the*  
 4 *closing agent fails to comply with this section with respect to a*  
 5 *customer. The penalty:*

6 *(1) may be enforced by the state agency that has administrative*  
 7 *jurisdiction over the closing agent in the same manner that the*  
 8 *agency enforces the payment of fees or other penalties payable to*  
 9 *the agency; and*

10 *(2) shall be paid into:*

11 *(A) the state general fund; if the closing agent fails to comply*  
 12 *with subsection (b); or*

13 *(B) the home ownership education account established by*  
 14 *IC 5-20-1-27, if the closing agent fails to comply with*  
 15 *subsection (e) in a transaction that is closed after December*  
 16 *31, 2009.*

17 *(h) A closing agent is not liable for any other damages claimed by*  
 18 *a customer because of:*

19 *(1) the closing agent's mere failure to provide the appropriate*  
 20 *document to the customer under subsection (b); or*

21 *(2) with respect to a transaction that is closed after December 31,*  
 22 *2009, the closing agent's failure to input the information or*  
 23 *submit the form described in subsection (e).*

24 *(i) The state agency that has administrative jurisdiction over a*  
 25 *closing agent shall:*

26 *(1) examine the closing agent to determine compliance with this*  
 27 *section; and*

28 *(2) impose and collect penalties under subsection (g).*

29 SECTION 14. IC 6-1.1-12-46, AS AMENDED BY P.L.230-2025,  
 30 SECTION 38, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 31 JANUARY 1, 2026 (RETROACTIVE)]: Sec. 46. (a) This section  
 32 applies to real property for an assessment date in 2011 or a later year  
 33 if:

34 (1) the real property is not exempt from property taxation for the  
 35 assessment date;

36 (2) title to the real property is transferred after the assessment date  
 37 and on or before the December 31 that next succeeds the  
 38 assessment date;

39 (3) the transferee of the real property applies for an exemption  
 40 under IC 6-1.1-11 for the next succeeding assessment date; and

(4) the county property tax assessment board of appeals determines that the real property is exempt from property taxation for that next succeeding assessment date.

(b) For the assessment date referred to in subsection (a)(1), real property is eligible for any deductions for which the transferor under subsection (a)(2) was eligible for that assessment date under the following:

- (1) IC 6-1.1-12-1 (before its repeal).
- (2) IC 6-1.1-12-9 (before its expiration).
- (3) IC 6-1.1-12-11 (before its expiration).
- (4) IC 6-1.1-12-13 **(before its expiration)**.
- (5) IC 6-1.1-12-14.
- (6) IC 6-1.1-12-16 (before its expiration).
- (7) IC 6-1.1-12-17.4 (before its expiration).
- (8) IC 6-1.1-12-18 (before its expiration).
- (9) IC 6-1.1-12-22 (before its expiration).
- (10) IC 6-1.1-12-37.
- (11) IC 6-1.1-12-37.5.

(c) For the payment date applicable to the assessment date referred to in subsection (a)(1), real property is eligible for the credit for excessive residential property taxes under IC 6-1.1-20.6 for which the transferor under subsection (a)(2) would be eligible for that payment date if the transfer had not occurred.

SECTION 15. IC 6-1.1-22-19, AS ADDED BY P.L.230-2025, SECTION 50, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2026 (RETROACTIVE)]: Sec. 19. (a) This section applies to real property tax statements provided to taxpayers after December 31, 2025.

(b) In a manner determined by the department of local government finance, the department of local government finance shall include on the coupon page of the property tax statement prescribed by the department of local government finance educational information regarding the eligibility and procedures for the following deductions and ~~credit~~ **credits** available to certain eligible taxpayers:

- (1) The deduction for a veteran with a partial disability under IC 6-1.1-12-13 **(before its expiration)**.
- (2) The deduction for a totally disabled veteran ~~or a veteran who is at least sixty-two (62) years of age who is partially disabled~~ under IC 6-1.1-12-14.
- (3) The deduction for a disabled veteran under IC 6-1.1-12-14.5.

(4) The credit for a person sixty-five (65) years of age or older under IC 6-1.1-51.3-1.

**(5) The credit for a disabled veteran or a veteran who is at least sixty-two (62) years of age under IC 6-1.1-51.3-5.**

**(6) The credit for a veteran with a partial disability under IC 6-1.1-51.3-6.**

SECTION 16. IC 6-1.1-37-4, AS AMENDED BY P.L.230-2025, SECTION 56, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2026 (RETROACTIVE)]: Sec. 4. A person who makes a false statement, with intent to obtain the property tax deduction provided in either IC 6-1.1-12-13 **(before its expiration)** or IC 6-1.1-12-14 when the person is not entitled to the deduction, commits a Class B misdemeanor.

SECTION 17. IC 6-1.1-51.3-5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2026 (RETROACTIVE)]: **Sec. 5. (a) An individual is entitled to a credit against local property taxes imposed on the individual's real property, or mobile home or manufactured home within the county, if:**

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

**(2) the individual received an honorable discharge;**

**(3) the individual is at least sixty-two (62) years of age and has a disability of at least ten percent (10%);**

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

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

**(B) a certificate of eligibility issued to the individual by the Indiana department of veterans' affairs after the Indiana department of veterans' affairs has determined that the individual's disability qualifies the individual to receive a credit under this section; and**

**(5) the individual:**

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

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

**on the date the credit is claimed, and in the case of clause (B), the contract or a memorandum of the contract is recorded in**



1           the county recorder's office.

2           (b) The amount of the credit is equal to three hundred dollars  
3           (\$300).

4           (c) The surviving spouse of an individual may receive the credit  
5           provided by this section if:

6                 (1) the individual satisfied the requirements of subsection  
7                 (a)(1) through (a)(4) at the time of death; or

8                 (2) the individual:

9                         (A) was killed in action;

10                        (B) died while serving on active duty in the military or  
11                        naval forces of the United States; or

12                        (C) died while performing inactive duty training in the  
13                        military or naval forces of the United States;

14           and the surviving spouse satisfies the requirement of subsection  
15           (a)(5) at the time the credit is claimed. The surviving spouse is  
16           entitled to the credit regardless of whether the property for which  
17           the credit is claimed was owned by the deceased veteran or the  
18           surviving spouse before the deceased veteran's death.

19           (d) An individual who receives the credit provided by this  
20           section may not receive the credit provided by section 1 of this  
21           chapter. However, the individual may receive any other property  
22           tax credit that the individual is entitled to by law.

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

29           (f) An individual wishing to claim a credit under this section  
30           must file a statement, on forms prescribed by the department of  
31           local government finance, with the county auditor and provide  
32           documentation necessary to substantiate the individual's eligibility  
33           for the credit. The statement must be completed and dated on or  
34           before January 15 of the calendar year in which the property taxes  
35           are first due and payable. The statement may be filed in person or  
36           by mail. If mailed, the mailing must be postmarked on or before  
37           the last day for filing. An individual who remains eligible for the  
38           credit in the following year is not required to file a statement to  
39           apply for the credit in the following year. However, an individual  
40           who receives a credit under this section in a particular year and

1 who becomes ineligible for the credit in the following year shall  
 2 notify the auditor of the county in which the homestead is located  
 3 of the individual's ineligibility not later than sixty (60) days after  
 4 the individual becomes ineligible.

5 SECTION 18. IC 6-1.1-51.3-6 IS ADDED TO THE INDIANA  
 6 CODE AS A NEW SECTION TO READ AS FOLLOWS  
 7 [EFFECTIVE JANUARY 1, 2026 (RETROACTIVE)]: **Sec. 6. (a) An**  
 8 **individual is entitled to a credit against local property taxes**  
 9 **imposed on the individual's real property, mobile home, or**  
 10 **manufactured home within the county, if:**

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

13 (2) the individual received an honorable discharge;

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

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

17 (A) a pension certificate, an award of compensation, or a  
 18 disability compensation check issued by the United States  
 19 Department of Veterans Affairs; or

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

25 (5) the individual:

26 (A) owns the real property, mobile home, or manufactured  
 27 home; or

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

30 on the date the credit is claimed, and in the case of clause (B),  
 31 the contract or a memorandum of the contract is recorded in  
 32 the county recorder's office.

33 (b) The amount of the credit is equal to four hundred dollars  
 34 (\$400).

35 (c) The surviving spouse of an individual may receive the credit  
 36 provided by this section if the individual satisfied the requirements  
 37 of subsection (a)(1) through (a)(4) at the time of death and the  
 38 surviving spouse satisfies the requirement of subsection (a)(5) at  
 39 the time the credit is claimed. The surviving spouse is entitled to  
 40 the credit regardless of whether the property for which the credit

1 is claimed was owned by the deceased veteran or the surviving  
2 spouse before the deceased veteran's death.

3 (d) An individual who receives the credit provided by this  
4 section may not receive the credit provided by section 1 of this  
5 chapter. However, the individual may receive any other property  
6 tax credit that the individual is entitled to by law.

7 (e) An individual who has sold real property or a mobile home  
8 or manufactured home to another person under a contract that  
9 provides that the contract buyer is to pay the property taxes on the  
10 real property, mobile home, or manufactured home may not claim  
11 the credit provided under this section against that real property,  
12 mobile home, or manufactured home.

13 (f) An individual wishing to claim a credit under this section  
14 must file a statement, on forms prescribed by the department of  
15 local government finance, with the county auditor and provide  
16 documentation necessary to substantiate the individual's eligibility  
17 for the credit. The statement must be completed and dated on or  
18 before January 15 of the calendar year in which the property taxes  
19 are first due and payable. The statement may be filed in person or  
20 by mail. If mailed, the mailing must be postmarked on or before  
21 the last day for filing. An individual who remains eligible for the  
22 credit in the following year is not required to file a statement to  
23 apply for the credit in the following year. However, an individual  
24 who receives a credit under this section in a particular year and  
25 who becomes ineligible for the credit in the following year shall  
26 notify the auditor of the county in which the homestead is located  
27 of the individual's ineligibility not later than sixty (60) days after  
28 the individual becomes ineligible.

29 SECTION 19. IC 6-1.1-53 IS ADDED TO THE INDIANA CODE  
30 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE  
31 JANUARY 1, 2026 (RETROACTIVE)]:

32 **Chapter 53. Maximum Property Tax Liability Credit for**  
33 **Certain Veterans**

34 **Sec. 1. This chapter applies only to property taxes imposed for**  
35 **assessment dates after December 31, 2025, and before January 1,**  
36 **2033.**

37 **Sec. 2. As used in this chapter, "qualified individual" means an**  
38 **individual who:**

- 39 (1) received a property tax deduction for the January 1, 2025,  
40 assessment date under IC 6-1.1-12-13 (before its expiration);

1 and

2 (2) is entitled to and is claiming a property tax credit for the  
3 current assessment date under:

4 (A) IC 6-1.1-51.3-5; or

5 (B) IC 6-1.1-51.3-6.

6 Sec. 3. For each assessment date, each county auditor shall  
7 determine the following with respect to each qualified individual  
8 on whose real property, or mobile home or manufactured home  
9 within the county, property taxes will be imposed in the county:

10 (1) The qualified individual's net property tax liability for the  
11 assessment date before application of any credit under this  
12 chapter.

13 (2) The qualified individual's net property tax liability for the  
14 assessment date before application of any credit under this  
15 chapter and calculated as if:

16 (A) the applicable property tax credit described in section  
17 2(2) of this chapter, and the corresponding credit amount,  
18 were not in effect; and

19 (B) the property tax deduction described in section 2(1) of  
20 this chapter that the qualified individual received for the  
21 January 1, 2025, assessment date, and the corresponding  
22 deduction amount, remain in effect.

23 Sec. 4. A qualified individual is entitled to a credit against local  
24 property taxes imposed for an assessment date on the qualified  
25 individual's real property, or mobile home or manufactured home  
26 within the county, in an amount equal to the greater of:

27 (1) zero (0); or

28 (2) the result of:

29 (A) the amount determined under section 3(1) of this  
30 chapter; minus

31 (B) the amount determined under section 3(2) of this  
32 chapter.

33 Sec. 5. A credit under this chapter is in addition to a property  
34 tax credit applied under IC 6-1.1-51.3 and shall be applied to a  
35 qualified individual's property tax liability for the year in the  
36 manner set forth in IC 6-1.1-51.3-0.5.

37 Sec. 6. A qualified individual is not required to file an  
38 application for the credit under this chapter.

39 SECTION 20. IC 6-3-2-6, AS AMENDED BY P.L.146-2020,  
40 SECTION 23, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE

JANUARY 1, 2026 (RETROACTIVE)]: Sec. 6. (a) Each taxable year, an individual who rents a dwelling for use as the individual's principal place of residence may deduct from the individual's adjusted gross income (as defined in IC 6-3-1-3.5(a)), the lesser of:

- (1) the amount of rent paid by the individual with respect to the dwelling during the taxable year; or
- (2) three thousand dollars (\$3,000).

(b) Notwithstanding subsection (a):

- (1) a married couple filing a joint return for a particular taxable year may not claim a deduction under ~~this section~~ **subsection (a)** of more than three thousand dollars (\$3,000); and
- (2) a married individual filing a separate return for a particular taxable year may not claim a deduction under ~~this section~~ **subsection (a)** of more than one thousand five hundred dollars (\$1,500).

**(c) Each taxable year, an individual who is a totally disabled veteran and claims a deduction under subsection (a) for the taxable year may deduct an additional amount from the individual's adjusted gross income equal to twenty thousand dollars (\$20,000).**

**(d) If:**

- (1) a married couple files a joint return for the taxable year; and**
- (2) each spouse has a different disability rating determined by the United States Department of Veterans Affairs;**

**the married couple shall use the disability rating of the spouse that is greater to determine eligibility for the additional deduction under subsection (c) or (f) and to calculate the amount of the additional deduction claimed by the married couple under subsection (c) or (f).**

**(e) Notwithstanding subsection (c), a married couple filing a joint return for a taxable year may not claim a deduction under subsection (c) of more than twenty thousand dollars (\$20,000) for the taxable year.**

**(f) Each taxable year, an individual who is a partially disabled veteran and claims a deduction under subsection (a) for the taxable year may deduct an additional amount from the individual's adjusted gross income equal to the lesser of:**

- (1) the product of:**
  - (A) the amount of the deduction granted under subsection (a); multiplied by**

**(B) the individual's disability rating as determined by the  
United States Department of Veterans Affairs; or  
(2) ten thousand dollars (\$10,000).**

**(g) If:**

**(1) a married couple files a joint return for the taxable year;  
and**

**(2) each spouse has a different disability rating determined by  
the United States Department of Veterans Affairs;**

**the married couple shall use the disability rating of the spouse that  
is greater to calculate the amount of the additional deduction  
claimed by the married couple under subsection (f).**

**(h) Notwithstanding subsection (f), a married couple filing a  
joint return for a taxable year may not claim a deduction under  
subsection (f) of more than ten thousand dollars (\$10,000) for the  
taxable year.**

~~(e)~~ **(i)** The deduction provided by this section does not apply to an  
individual who rents a dwelling that is exempt from Indiana property  
tax.

~~(d)~~ **(j)** For purposes of this section, a "dwelling" includes a single  
family dwelling and unit of a multi-family dwelling.

SECTION 21. IC 6-6-5-5, AS AMENDED BY P.L.230-2025,  
SECTION 87, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
JANUARY 1, 2026 (RETROACTIVE)]: Sec. 5. A person that owns a  
vehicle and that is entitled to a property tax deduction under  
IC 6-1.1-12-13 **(before its expiration)**, IC 6-1.1-12-14, or  
IC 6-1.1-12-16 (before its expiration) is entitled to a credit against the  
vehicle excise tax as follows: Any remaining deduction from assessed  
valuation to which the person is entitled, applicable to property taxes  
payable in the year in which the excise tax imposed by this chapter is  
due, after allowance of the deduction on real estate and personal  
property owned by the person, shall reduce the vehicle excise tax in the  
amount of two dollars (\$2) on each one hundred dollars (\$100) of  
taxable value or major portion thereof. The county auditor shall, upon  
request, furnish a certified statement to the person verifying the credit  
allowable under this section, and the statement shall be presented to  
and retained by the bureau to support the credit.

SECTION 22. IC 6-6-5-5.2, AS AMENDED BY P.L.230-2025,  
SECTION 88, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
JANUARY 1, 2026 (RETROACTIVE)]: Sec. 5.2. (a) This section  
applies to a registration year beginning after December 31, 2013.

(b) Subject to subsection (d), an individual may claim a credit against the tax imposed by this chapter upon a vehicle owned by the individual if the individual is eligible for the credit under any of the following:

(1) The individual meets all the following requirements:

(A) The individual served in the military or naval forces of the United States during any of its wars.

(B) The individual received an honorable discharge.

(C) The individual has a disability with a service connected disability of ten percent (10%) or more.

(D) The individual's disability is evidenced by:

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

(ii) a certificate of eligibility issued to the individual by the Indiana department of veterans' affairs after the Indiana department of veterans' affairs has determined that the individual's disability qualifies the individual to receive a credit under this section.

(E) The individual does not own property to which a property tax deduction may be applied under IC 6-1.1-12-13 **(before its expiration)**.

(2) The individual meets all the following requirements:

(A) The individual served in the military or naval forces of the United States for at least ninety (90) days.

(B) The individual received an honorable discharge.

(C) The individual either:

(i) has a total disability; or

(ii) is at least sixty-two (62) years of age and has a disability of at least ten percent (10%).

(D) The individual's disability is evidenced by:

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

(ii) a certificate of eligibility issued to the individual by the Indiana department of veterans' affairs after the Indiana department of veterans' affairs has determined that the individual's disability qualifies the individual to receive a credit under this section.

(E) The individual does not own property to which a property tax deduction may be applied under IC 6-1.1-12-14.

(3) The individual meets both of the following requirements:

(A) The individual is the surviving spouse of any of the following:

(i) An individual who would have been eligible for a credit under this section if the individual had been alive in 2013 and this section had been in effect in 2013.

(ii) An individual who received a credit under this section in the previous calendar year.

(iii) A World War I veteran.

(B) The individual does not own property to which a property tax deduction may be applied under IC 6-1.1-12-13 (**before its expiration**), IC 6-1.1-12-14, or IC 6-1.1-12-16 (before its expiration).

(c) The amount of the credit that may be claimed under this section is equal to the lesser of the following:

(1) The amount of the excise tax liability for the individual's vehicle as determined under section 3 or 3.5 of this chapter, as applicable.

(2) Seventy dollars (\$70).

(d) The maximum number of motor vehicles for which an individual may claim a credit under this section is two (2).

(e) An individual may not claim a credit under both:

(1) this section; and

(2) section 5 of this chapter.

(f) The credit allowed by this section must be claimed on a form prescribed by the bureau. An individual claiming the credit must attach to the form an affidavit from the county auditor stating that the claimant does not own property to which a property tax deduction may be applied under IC 6-1.1-12-13 (**before its expiration**), IC 6-1.1-12-14, or IC 6-1.1-12-16 (before its expiration).

SECTION 23. IC 6-6-6.5-13, AS AMENDED BY P.L.230-2025, SECTION 89, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2026 (RETROACTIVE)]: Sec. 13. (a) As the basis for measuring the tax imposed by this chapter, the department shall classify every taxable aircraft in its proper class according to the following classification plan:

CLASS	DESCRIPTION
A	Piston-driven
B	Piston-driven, and Pressurized



1	C	Turbine driven
2		or other Powered
3	D	Homebuilt, Gliders, or
4		Hot Air Balloons

(b) The tax imposed under this chapter is based on the age, class, and maximum landing weight of the taxable aircraft. The amount of tax imposed on the taxable aircraft is based on the following table:

8	Age	Class A	Class B	Class C	Class D
9	0-4	\$.04/lb	\$.065/lb	\$.09/lb	\$.0175/lb
10	5-8	\$.035/lb	\$.055/lb	\$.08/lb	\$.015/lb
11	9-12	\$.03/lb	\$.05/lb	\$.07/lb	\$.0125/lb
12	13-16	\$.025/lb	\$.025/lb	\$.025/lb	\$.01/lb
13	17-25	\$.02/lb	\$.02/lb	\$.02/lb	\$.0075/lb
14	over 25	\$.01/lb	\$.01/lb	\$.01/lb	\$.005/lb

(c) An aircraft owner, who sells an aircraft on which the owner has paid the tax imposed under this chapter, is entitled to a credit for the tax paid. The credit equals excise tax paid on the aircraft that was sold, times the lesser of:

(1) ninety percent (90%); or

(2) ten percent (10%) times the number of months remaining in the registration year after the sale of the aircraft.

The credit may only be used to reduce the tax imposed under this chapter on another aircraft purchased by that owner during the registration year in which the credit accrues. A person may not receive a refund for a credit under this subsection.

(d) A person who is entitled to a property tax deduction under IC 6-1.1-12-13 (**before its expiration**) or IC 6-1.1-12-14 is entitled to a credit against the tax imposed on the person's aircraft under this chapter. The credit equals the amount of the property tax deduction to which the person is entitled under IC 6-1.1-12-13 (**before its expiration**) and IC 6-1.1-12-14 minus the amount of that deduction used to offset the person's property taxes or vehicle excise taxes, times seven hundredths (.07). The credit may not exceed the amount of the tax due under this chapter. The county auditor shall, upon the person's request, furnish a certified statement showing the credit allowable under this subsection. The department may not allow a credit under this subsection until the auditor's statement has been filed in the department's office."

Page 32, between lines 16 and 17, begin a new paragraph and insert:

"SECTION 28. [EFFECTIVE JANUARY 1, 2026

1 (RETROACTIVE)] (a) IC 6-1.1-51.3-5 and IC 6-1.1-51.3-6, both as  
2 added by this act, apply to property taxes imposed for assessment  
3 dates after December 31, 2025.  
4 (b) This SECTION expires January 1, 2028.  
5 "SECTION 29. [EFFECTIVE JANUARY 1, 2026  
6 (RETROACTIVE)] (a) IC 6-1.1-12-14 and IC 6-3-2-6, both as  
7 amended by this act, applies to property taxes for assessment dates  
8 after December 31, 2025.  
9 (b) This SECTION expires January 1, 2028."  
10 Renumber all SECTIONS consecutively.  
(Reference is to HB 1177 as introduced.)