
HOUSE BILL No. 1210

AM121050 has been incorporated into introduced printing.

Synopsis: Department of local government finance.

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Introduced

Second Regular Session of the 124th General Assembly (2026)

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 2025 Regular Session of the General Assembly.

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HOUSE BILL No. 1210

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

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

- 1 SECTION 1. IC 4-23-7.3-5.5 IS ADDED TO THE INDIANA
- 2 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
- 3 [EFFECTIVE JULY 1, 2026]: **Sec. 5.5. As used in this chapter,**
- 4 **"governmental boundary units" includes:**
- 5 **(1) the geographic boundaries of a political subdivision;**
- 6 **(2) the geographic boundaries of a taxing district (as defined**
- 7 **by IC 6-1.1-1-20); and**
- 8 **(3) any geographic boundaries related to the operation of the**
- 9 **statewide 911 system under IC 36-8-16.7.**
- 10 SECTION 2. IC 4-23-7.3-16, AS AMENDED BY P.L.134-2021,
- 11 SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 12 JULY 1, 2026]: **Sec. 16.** With money from the fund, the state GIS
- 13 officer, through the data center, the IGIC, and the other organizations,
- 14 shall do the following:
- 15 **(1) Ensure that there are adequate depositories of all GIS data**



- 1 and framework data obtained by a state agency.
- 2 (2) Acquire, publish, store, and distribute GIS data and
- 3 framework data through the computer gateway administered
- 4 under IC 4-13.1-2-2(a)(6) by the office of technology and
- 5 through the state data center. The state GIS officer may also
- 6 provide access through the IGIC and other entities as directed by
- 7 the state GIS officer.
- 8 (3) Integrate GIS data and framework data developed and
- 9 maintained by state agencies and political subdivisions into the
- 10 statewide base map. **State agencies and political subdivisions**
- 11 **shall cooperate and participate as requested by the state GIS**
- 12 **officer to carry out this subdivision.**
- 13 (4) Maintain a state historical archive of GIS data, framework
- 14 data, and electronic maps.
- 15 (5) Except as otherwise provided in this chapter, provide public
- 16 access to GIS data and framework data in locations throughout
- 17 Indiana.
- 18 (6) Provide assistance to state agencies and political subdivisions
- 19 regarding public access to GIS data and framework data so that
- 20 information is available to the public while confidentiality is
- 21 protected for certain data from electronic maps.
- 22 (7) Develop and maintain statewide framework data layers
- 23 associated with a statewide base map or electronic map.
- 24 (8) Publish and distribute the state GIS data standards and the
- 25 statewide data integration plan adopted under section 14(2) of
- 26 this chapter.
- 27 (9) Subject to section 20 of this chapter, make GIS data,
- 28 framework data, and electronic maps available for use by the
- 29 Indiana Business Research Center.
- 30 SECTION 3. IC 4-23-7.3-20, AS ADDED BY P.L.198-2007,
- 31 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 32 JULY 1, 2026]: Sec. 20. (a) Except as provided in subsections (b), (c),
- 33 and (d), a political subdivision maintains the right to control the sale,
- 34 exchange, and distribution of any GIS data or framework data provided
- 35 by the political subdivision to the state through a data exchange
- 36 agreement entered into under this chapter.
- 37 (b) A political subdivision may agree, through a provision in a data
- 38 exchange agreement, to allow the sale, exchange, or distribution of GIS
- 39 data or framework data provided to the state.
- 40 (c) Subsection (a) does not apply to data that is otherwise required
- 41 by state or federal law to be provided by a political subdivision to the

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1 state or federal government.

2 (d) ~~As a condition in a data exchange agreement for providing~~
3 ~~state GIS data or framework data to a political subdivision,~~ The state
4 GIS officer may require the political subdivision to follow the state GIS
5 data standards and the statewide data integration plan when the
6 political subdivision makes use of the GIS data or framework data as
7 provided by the state.

8 SECTION 4. IC 4-33-12-8, AS AMENDED BY P.L.144-2024,
9 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
10 UPON PASSAGE]: Sec. 8. (a) This section applies to tax revenue
11 collected from a riverboat operating from Lake County.

12 (b) Except as provided by IC 6-3.1-20-7, the treasurer of state shall
13 quarterly pay the following amounts from the taxes collected during the
14 preceding calendar quarter from the riverboat operating from East
15 Chicago:

16 (1) The lesser of:
17 (A) eight hundred seventy-five thousand dollars (\$875,000);
18 or
19 (B) thirty-three and one-third percent (33 1/3%) of the
20 admissions tax and supplemental wagering tax collected by
21 the licensed owner during the preceding calendar quarter;
22 to the fiscal officer of the northwest Indiana regional
23 development authority to partially satisfy East Chicago's funding
24 obligation to the authority under IC 36-7.5-4-2.

25 (2) The lesser of:
26 (A) two hundred eighteen thousand seven hundred fifty
27 dollars (\$218,750); or
28 (B) thirty-three and one-third percent (33 1/3%) of the
29 admissions tax and supplemental wagering tax collected by
30 the licensed owner during the preceding calendar quarter;
31 to the fiscal officer of the northwest Indiana regional
32 development authority to partially satisfy Lake County's funding
33 obligation to the authority under IC 36-7.5-4-2.

34 (3) Except as provided in section 9(k) of this chapter, the
35 remainder, if any, of:
36 (A) thirty-three and one-third percent (33 1/3%) of the
37 admissions tax and supplemental wagering tax collected by
38 the licensed owner during the preceding calendar quarter;
39 minus
40 (B) the amount distributed to the northwest Indiana regional
41 development authority under subdivision (1) for the

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- 1 calendar quarter;
 2 must be paid to the city of East Chicago.
 3 (4) Except as provided in section 9(k) of this chapter, the
 4 remainder, if any, of:
 5 (A) thirty-three and one-third percent (33 1/3%) of the
 6 admissions tax and supplemental wagering tax collected by
 7 the licensed owner during the preceding calendar quarter;
 8 minus
 9 (B) the amount distributed to the northwest Indiana regional
 10 development authority under subdivision (2) for the
 11 calendar quarter;
 12 must be paid to Lake County.
 13 (5) Except as provided in section 9(k) of this chapter, three
 14 percent (3%) of the admissions tax and supplemental wagering
 15 tax collected by the licensed owner during the preceding
 16 calendar quarter must be paid to the county convention and
 17 visitors bureau for Lake County.
 18 (6) Except as provided in section 9(k) of this chapter, three
 19 hundred thirty-three thousandths percent (.333%) of the
 20 admissions tax and supplemental wagering tax collected by the
 21 licensed owner during the preceding calendar quarter must be
 22 paid to the northern Indiana law enforcement training center.
 23 (7) Except as provided in section 9(k) of this chapter, five
 24 percent (5%) of the admissions tax and supplemental wagering
 25 tax collected by the licensed owner during the preceding
 26 calendar quarter must be paid to the state fair commission for
 27 use in any activity that the commission is authorized to carry out
 28 under IC 15-13-3.
 29 (8) Except as provided in section 9(k) of this chapter, three and
 30 thirty-three hundredths percent (3.33%) of the admissions tax
 31 and supplemental wagering tax collected by the licensed owner
 32 during the preceding calendar quarter must be paid to the
 33 division of mental health and addiction.
 34 (9) Twenty-one and six hundred sixty-seven thousandths percent
 35 (21.667%) of the admissions tax and supplemental wagering tax
 36 collected by the licensed owner during the preceding calendar
 37 quarter must be paid to the state general fund.
 38 (c) Except as provided by IC 6-3.1-20-7, the treasurer of state shall
 39 quarterly pay the following amounts from the taxes collected during the
 40 preceding calendar quarter from ~~each~~ **the** riverboat operating in Gary:
 41 (1) The lesser of:

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- 1 (A) ~~four hundred thirty-seven thousand five hundred dollars~~
- 2 ~~(\$437,500);~~ **eight hundred seventy-five thousand dollars**
- 3 **(\$875,000);** or
- 4 (B) thirty-three and one-third percent (33 1/3%) of the
- 5 admissions tax and supplemental wagering tax collected by
- 6 the licensed owner during the preceding calendar quarter;
- 7 to the fiscal officer of the northwest Indiana regional
- 8 development authority to partially satisfy Gary's funding
- 9 obligation to the authority under IC 36-7.5-4-2.
- 10 (2) The lesser of:
- 11 (A) ~~two hundred eighteen thousand seven hundred fifty~~
- 12 ~~dollars (\$218,750);~~ **four hundred thirty-seven thousand**
- 13 **five hundred dollars (\$437,500);** or
- 14 (B) thirty-three and one-third percent (33 1/3%) of the
- 15 admissions tax and supplemental wagering tax collected by
- 16 the licensed owner during the preceding calendar quarter;
- 17 to the fiscal officer of the northwest Indiana regional
- 18 development authority to partially satisfy Lake County's funding
- 19 obligation to the authority under IC 36-7.5-4-2.
- 20 (3) Except as provided in section 9(k) of this chapter, the
- 21 remainder, if any, of:
- 22 (A) thirty-three and one-third percent (33 1/3%) of the
- 23 admissions tax and supplemental wagering tax collected by
- 24 the licensed owner of a riverboat operating in Gary during
- 25 the preceding calendar quarter; minus
- 26 (B) the amount distributed to the northwest Indiana regional
- 27 development authority under subdivision (1) for the
- 28 calendar quarter;
- 29 must be paid to the city of Gary.
- 30 (4) Except as provided in section 9(k) of this chapter, the
- 31 remainder, if any, of:
- 32 (A) thirty-three and one-third percent (33 1/3%) of the
- 33 admissions tax and supplemental wagering tax collected by
- 34 the licensed owner of a riverboat operating in Gary during
- 35 the preceding calendar quarter; minus
- 36 (B) the amount distributed to the northwest Indiana regional
- 37 development authority under subdivision (2) for the
- 38 calendar quarter;
- 39 must be paid to Lake County.
- 40 (5) Except as provided in section 9(k) of this chapter, three
- 41 percent (3%) of the admissions tax and supplemental wagering

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1 tax collected by the licensed owner of a riverboat operating in
 2 Gary during the preceding calendar quarter must be paid to the
 3 county convention and visitors bureau for Lake County.

4 (6) Except as provided in section 9(k) of this chapter, three
 5 hundred thirty-three thousandths percent (.333%) of the
 6 admissions tax and supplemental wagering tax collected by the
 7 licensed owner of a riverboat operating in Gary during the
 8 preceding calendar quarter must be paid to the northern Indiana
 9 law enforcement training center.

10 (7) Except as provided in section 9(k) of this chapter, five
 11 percent (5%) of the admissions tax and supplemental wagering
 12 tax collected by the licensed owner of a riverboat operating in
 13 Gary during the preceding calendar quarter must be paid to the
 14 state fair commission for use in any activity that the commission
 15 is authorized to carry out under IC 15-13-3.

16 (8) Except as provided in section 9(k) of this chapter, three and
 17 thirty-three hundredths percent (3.33%) of the admissions tax
 18 and supplemental wagering tax collected by the licensed owner
 19 of a riverboat operating in Gary during the preceding calendar
 20 quarter must be paid to the division of mental health and
 21 addiction.

22 (9) Twenty-one and six hundred sixty-seven thousandths percent
 23 (21.667%) of the admissions tax and supplemental wagering tax
 24 collected by the licensed owner of a riverboat operating in Gary
 25 during the preceding calendar quarter must be paid to the state
 26 general fund.

27 (d) Except as provided by IC 6-3.1-20-7, the treasurer of state shall
 28 quarterly pay the following amounts from the taxes collected during the
 29 preceding calendar quarter from the riverboat operating in Hammond:

30 (1) The lesser of:

31 (A) eight hundred seventy-five thousand dollars (\$875,000);
 32 or

33 (B) thirty-three and one-third percent (33 1/3%) of the
 34 admissions tax and supplemental wagering tax collected by
 35 the licensed owner of a riverboat operating in Hammond
 36 during the preceding calendar quarter;

37 to the fiscal officer of the northwest Indiana regional
 38 development authority to partially satisfy Hammond's funding
 39 obligation to the authority under IC 36-7.5-4-2.

40 (2) The lesser of:

41 (A) two hundred eighteen thousand seven hundred fifty

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1 dollars (\$218,750); or
2 (B) thirty-three and one-third percent (33 1/3%) of the
3 admissions tax and supplemental wagering tax collected by
4 the licensed owner during the preceding calendar quarter;
5 to the fiscal officer of the northwest Indiana regional
6 development authority to partially satisfy Lake County's funding
7 obligation to the authority under IC 36-7.5-4-2.
8 (3) Except as provided in section 9(k) of this chapter, the
9 remainder, if any, of:
10 (A) thirty-three and one-third percent (33 1/3%) of the
11 admissions tax and supplemental wagering tax collected by
12 the licensed owner of the riverboat during the preceding
13 calendar quarter; minus
14 (B) the amount distributed to the northwest Indiana regional
15 development authority under subdivision (1) for the
16 calendar quarter;
17 must be paid to the city of Hammond.
18 (4) Except as provided in section 9(k) of this chapter, the
19 remainder, if any, of:
20 (A) thirty-three and one-third percent (33 1/3%) of the
21 admissions tax and supplemental wagering tax collected by
22 the licensed owner of the riverboat during the preceding
23 calendar quarter; minus
24 (B) the amount distributed to the northwest Indiana regional
25 development authority under subdivision (2) for the
26 calendar quarter;
27 must be paid to Lake County.
28 (5) Except as provided in section 9(k) of this chapter, three
29 percent (3%) of the admissions tax and supplemental wagering
30 tax collected by the licensed owner of the riverboat during the
31 preceding calendar quarter must be paid to the county
32 convention and visitors bureau for Lake County.
33 (6) Except as provided in section 9(k) of this chapter, three
34 hundred thirty-three thousandths percent (.333%) of the
35 admissions tax and supplemental wagering tax collected by the
36 licensed owner of a riverboat during the preceding calendar
37 quarter must be paid to the northern Indiana law enforcement
38 training center.
39 (7) Except as provided in section 9(k) of this chapter, five
40 percent (5%) of the admissions tax and supplemental wagering
41 tax collected by the licensed owner of the riverboat during the

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1 preceding calendar quarter must be paid to the state fair
 2 commission for use in any activity that the commission is
 3 authorized to carry out under IC 15-13-3.
 4 (8) Except as provided in section 9(k) of this chapter, three and
 5 thirty-three hundredths percent (3.33%) of the admissions tax
 6 and supplemental wagering tax collected by the licensed owner
 7 for each person admitted to the riverboat during the preceding
 8 calendar quarter must be paid to the division of mental health
 9 and addiction.
 10 (9) Twenty-one and six hundred sixty-seven thousandths percent
 11 (21.667%) of the admissions tax and supplemental wagering tax
 12 collected by the licensed owner of the riverboat during the
 13 preceding calendar quarter must be paid to the state general
 14 fund.

15 SECTION 5. IC 4-33-13-2.5 IS REPEALED [EFFECTIVE UPON
 16 PASSAGE]. Sec. 2.5: (a) This section applies only to tax revenue:

- 17 (1) remitted by a licensed owner operating a riverboat sited at a
 18 location approved under IC 4-33-6-4.5; and
- 19 (2) collected under this chapter after June 30, 2025.

20 (b) Notwithstanding section 3 of this chapter, the department shall
 21 deposit from the tax revenue remitted under this chapter by a licensed
 22 owner operating a riverboat sited at a location approved under
 23 IC 4-33-6-4.5 amounts as follows:

- 24 (1) In each state fiscal year beginning after June 30, 2025; and
 25 ending before July 1, 2027; an amount equal to the amount
 26 deposited under IC 36-7.5-6-5(a) by the city of Gary in the
 27 blighted property demolition fund established by IC 36-7.5-6-4;
 28 up to three million dollars (\$3,000,000).
- 29 (2) In each state fiscal year beginning after June 30, 2025; and
 30 ending before July 1, 2045; an amount equal to the amount
 31 deposited under IC 36-7.5-7-5(c) by an entity in the Lake County
 32 economic development and convention fund established by
 33 IC 36-7.5-7-5; up to five million dollars (\$5,000,000).
- 34 (3) In each state fiscal year beginning after June 30, 2025; and
 35 ending before July 1, 2050; an amount equal to the amount
 36 deposited under IC 36-7.5-8-4 by the city of Gary; or on behalf
 37 of the city of Gary from any other source; in the Gary Metro
 38 Center station revitalization fund established by IC 36-7.5-8-3;
 39 up to three million dollars (\$3,000,000).

40 Any amount of tax revenue remitted under this chapter by a licensed
 41 owner operating a riverboat sited at a location approved under

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1 IC 4-33-6-4.5 in a state fiscal year that exceeds the amount required for
2 the deposits in this subsection for the state fiscal year must be
3 deposited in the state gaming fund under section 3 of this chapter.

4 (c) Budget committee review is required before any money may
5 be:

- 6 (1) matched under subsection (b); and
- 7 (2) released to any of the following funds:

8 (A) The blighted property demolition fund established by
9 IC 36-7.5-6-4.

10 (B) The Lake County economic development and
11 convention fund established by IC 36-7.5-7-5.

12 (C) The Gary Metro Center station revitalization fund
13 established by IC 36-7.5-8-3.

14 (d) The northwest Indiana regional development authority
15 established by IC 36-7.5-2-1 shall provide any information to the
16 department that the department determines is necessary for the
17 department to carry out this section.

18 (e) This section expires July 1, 2050.

19 SECTION 6. IC 4-33-13-3, AS AMENDED BY P.L.195-2023,
20 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
21 UPON PASSAGE]: Sec. 3. Except as provided in section 2.5 of this
22 chapter, The department shall deposit tax revenue collected under this
23 chapter in the state gaming fund.

24 SECTION 7. IC 4-33-13-5, AS AMENDED BY P.L.9-2024,
25 SECTION 109, IS AMENDED TO READ AS FOLLOWS
26 [EFFECTIVE UPON PASSAGE]: Sec. 5. (a) This subsection does not
27 apply to tax revenue remitted by an operating agent operating a
28 riverboat in a historic hotel district. Excluding funds that are
29 appropriated in the biennial budget act from the state gaming fund to
30 the commission for purposes of administering this article, each month
31 the state comptroller shall distribute the tax revenue deposited in the
32 state gaming fund under this chapter to the following:

33 (1) An amount equal to the following shall be set aside for
34 revenue sharing under subsection (d):

35 (A) Before July 1, 2021, the first thirty-three million dollars
36 (\$33,000,000) of tax revenues collected under this chapter
37 shall be set aside for revenue sharing under subsection (d).

38 (B) After June 30, 2021, if the total adjusted gross receipts
39 received by licensees from gambling games authorized
40 under this article during the preceding state fiscal year is
41 equal to or greater than the total adjusted gross receipts

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received by licensees from gambling games authorized under this article during the state fiscal year ending June 30, 2020, the first thirty-three million dollars (\$33,000,000) of tax revenues collected under this chapter shall be set aside for revenue sharing under subsection (d).

(C) After June 30, 2021, if the total adjusted gross receipts received by licensees from gambling games authorized under this article during the preceding state fiscal year is less than the total adjusted gross receipts received by licensees from gambling games authorized under this article during the state year ending June 30, 2020, an amount equal to the first thirty-three million dollars (\$33,000,000) of tax revenues collected under this chapter multiplied by the result of:

- (i) the total adjusted gross receipts received by licensees from gambling games authorized under this article during the preceding state fiscal year; divided by
- (ii) the total adjusted gross receipts received by licensees from gambling games authorized under this article during the state fiscal year ending June 30, 2020;

shall be set aside for revenue sharing under subsection (d).

(2) Subject to subsection (c), twenty-five percent (25%) of the remaining tax revenue remitted by each licensed owner shall be paid **according to the following:**

(A) **Except as provided in clause (C),** to the city, **excluding the city of Gary,** in which the riverboat is located or that is designated as the home dock of the riverboat from which the tax revenue was collected, in the case of:

- (i) a city described in IC 4-33-12-6(b)(1)(A);
- (ii) a city located in Lake County, **excluding the city of Gary;** or
- (iii) Terre Haute. ~~or~~

(B) To the county that is designated as the home dock of the riverboat from which the tax revenue was collected, in the case of a riverboat that is not located in a city described in clause (A) or whose home dock is not in a city described in clause (A).

(C) In the case of the twenty-five percent (25%) of the

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remaining tax revenue remitted by the licensed owner of the riverboat located in the city of Gary, in each state fiscal year beginning after June 30, 2026, an amount equal to:

- (i) forty percent (40%) of the revenue shall be deposited in the Lake County economic development and convention fund established by IC 36-7.5-7-5, until the amount deposited under this item equals five million dollars (\$5,000,000) for a particular state fiscal year; and
- (ii) sixty percent (60%) of the revenue shall be paid to the city of Gary.

After the total amount of money deposited in the Lake County economic development and convention fund established by IC 36-7.5-7-5 for a particular state fiscal year under item (i) equals five million dollars (\$5,000,000), one hundred percent (100%) of the remaining revenue under this subdivision shall be paid to the city of Gary for the rest of that state fiscal year. For purposes of this subdivision, the state comptroller shall treat any amounts deposited under this clause in the Lake County economic development and convention fund established by IC 36-7.5-7-5 as amounts constructively received by the city of Gary and used to satisfy the city of Gary's funding obligation to the northwest Indiana regional development authority under IC 36-7.5-7-5.

(3) For state fiscal years ending before July 1, 2050, after making the distributions under subdivisions (1) and (2), the state comptroller shall make distributions from the remaining tax revenue remitted by each licensed owner in the following order of priority:

- (A) In each state fiscal year beginning after June 30, 2025, and ending with the earlier of:
 - (i) the state fiscal year beginning July 1, 2044, and ending June 30, 2045, however, if the required review by the budget committee before the first distribution under this clause does not occur until the state fiscal year beginning July 1, 2026, and ending June 30, 2027, then the state fiscal year beginning July 1, 2045, and ending June 30, 2046, is the applicable final state fiscal year under this item;

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or
(ii) the date on which the state budget director receives a certificate from the public finance director appointed under IC 5-1.2-3-6 that all indebtedness of the Indiana finance authority and the northwest Indiana regional development authority which is secured by the fund has been repaid;

an amount equal to the amount deposited under IC 36-7.5-7-5(c) by the approved entity in the Lake County economic development and convention fund established by IC 36-7.5-7-5, up to five million dollars (\$5,000,000). However, review by the budget committee is required before the first distribution for the first state fiscal year may be made under this clause.

(B) In each state fiscal year beginning after June 30, 2025, and ending before July 1, 2027, and only after:

(i) review by the budget committee before the first distribution under this clause; and

(ii) for each subsequent distribution, upon the state budget director's receipt of a certificate from the fiscal officer of the northwest Indiana regional development authority of the amount deposited under IC 36-7.5-6-5(a) by the city of Gary in the blighted property demolition fund established by IC 36-7.5-6-4 during the state fiscal year;

an amount equal to the amount deposited under IC 36-7.5-6-5(a) by the city of Gary in the blighted property demolition fund established by IC 36-7.5-6-4, up to three million dollars (\$3,000,000).

(C) In each state fiscal year beginning after June 30, 2025, and ending before July 1, 2050, and only after:

(i) review by the budget committee before the first distribution under this clause; and

(ii) for each subsequent distribution, upon the state budget director's receipt of a certificate from the fiscal officer of the northwest Indiana regional development authority of the amount deposited under IC 36-7.5-8-4 by the city of Gary, or on behalf of the city of Gary from any other source, in the Gary Metro Center station revitalization fund established by IC 36-7.5-8-3 during the state fiscal

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year;
an amount equal to the amount deposited under IC 36-7.5-8-4 by the city of Gary, or on behalf of the city of Gary from any other source, in the Gary Metro Center station revitalization fund established by IC 36-7.5-8-3, up to three million dollars (\$3,000,000).
The northwest Indiana regional development authority established by IC 36-7.5-2-1 shall provide any information to the department that the department determines is necessary to carry out this subdivision. This subdivision expires July 1, 2050.

(3) (4) The remainder of the tax revenue remitted by each licensed owner, shall be paid to the state general fund. In each state fiscal year, the state comptroller shall make the transfer required by this subdivision on or before the fifteenth day of the month based on revenue received during the preceding month for deposit in the state gaming fund. Specifically, the state comptroller may transfer the tax revenue received by the state in a month to the state general fund in the immediately following month according to this subdivision.

(b) This subsection applies only to tax revenue remitted by an operating agent operating a riverboat in a historic hotel district after June 30, 2019. Excluding funds that are appropriated in the biennial budget act from the state gaming fund to the commission for purposes of administering this article, each month the state comptroller shall distribute the tax revenue remitted by the operating agent under this chapter as follows:

(1) For state fiscal years beginning after June 30, 2019, but ending before July 1, 2021, fifty-six and five-tenths percent (56.5%) shall be paid to the state general fund.

(2) For state fiscal years beginning after June 30, 2021, fifty-six and five-tenths percent (56.5%) shall be paid as follows:

(A) Sixty-six and four-tenths percent (66.4%) shall be paid to the state general fund.

(B) Thirty-three and six-tenths percent (33.6%) shall be paid to the West Baden Springs historic hotel preservation and maintenance fund established by IC 36-7-11.5-11(b).

However, if:

(i) at any time the balance in that fund exceeds twenty-five million dollars (\$25,000,000); or

(ii) in any part of a state fiscal year in which the operating agent has received at least one hundred

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1 million dollars (\$100,000,000) of adjusted gross
 2 receipts;
 3 the amount described in this clause shall be paid to the state
 4 general fund for the remainder of the state fiscal year.
 5 (3) Forty-three and five-tenths percent (43.5%) shall be paid as
 6 follows:
 7 (A) Twenty-two and four-tenths percent (22.4%) shall be
 8 paid as follows:
 9 (i) Fifty percent (50%) to the fiscal officer of the town
 10 of French Lick.
 11 (ii) Fifty percent (50%) to the fiscal officer of the town
 12 of West Baden Springs.
 13 (B) Fourteen and eight-tenths percent (14.8%) shall be paid
 14 to the county treasurer of Orange County for distribution
 15 among the school corporations in the county. The governing
 16 bodies for the school corporations in the county shall
 17 provide a formula for the distribution of the money received
 18 under this clause among the school corporations by joint
 19 resolution adopted by the governing body of each of the
 20 school corporations in the county. Money received by a
 21 school corporation under this clause must be used to
 22 improve the educational attainment of students enrolled in
 23 the school corporation receiving the money. Not later than
 24 the first regular meeting in the school year of a governing
 25 body of a school corporation receiving a distribution under
 26 this clause, the superintendent of the school corporation
 27 shall submit to the governing body a report describing the
 28 purposes for which the receipts under this clause were used
 29 and the improvements in educational attainment realized
 30 through the use of the money. The report is a public record.
 31 (C) Thirteen and one-tenth percent (13.1%) shall be paid to
 32 the county treasurer of Orange County.
 33 (D) Five and three-tenths percent (5.3%) shall be
 34 distributed quarterly to the county treasurer of Dubois
 35 County for appropriation by the county fiscal body after
 36 receiving a recommendation from the county executive. The
 37 county fiscal body for the receiving county shall provide for
 38 the distribution of the money received under this clause to
 39 one (1) or more taxing units (as defined in IC 6-1.1-1-21) in
 40 the county under a formula established by the county fiscal
 41 body after receiving a recommendation from the county

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executive.

(E) Five and three-tenths percent (5.3%) shall be distributed quarterly to the county treasurer of Crawford County for appropriation by the county fiscal body after receiving a recommendation from the county executive. The county fiscal body for the receiving county shall provide for the distribution of the money received under this clause to one (1) or more taxing units (as defined in IC 6-1.1-1-21) in the county under a formula established by the county fiscal body after receiving a recommendation from the county executive.

(F) Six and thirty-five hundredths percent (6.35%) shall be paid to the fiscal officer of the town of Paoli.

(G) Six and thirty-five hundredths percent (6.35%) shall be paid to the fiscal officer of the town of Orleans.

(H) Twenty-six and four-tenths percent (26.4%) shall be paid to the Indiana economic development corporation established by IC 5-28-3-1 for transfer as follows:

- (i) Beginning after December 31, 2017, ten percent (10%) of the amount transferred under this clause in each calendar year shall be transferred to the South Central Indiana Regional Economic Development Corporation or a successor entity or partnership for economic development for the purpose of recruiting new business to Orange County as well as promoting the retention and expansion of existing businesses in Orange County.
- (ii) The remainder of the amount transferred under this clause in each calendar year shall be transferred to Radius Indiana or a successor regional entity or partnership for the development and implementation of a regional economic development strategy to assist the residents of Orange County and the counties contiguous to Orange County in improving their quality of life and to help promote successful and sustainable communities.

To the extent possible, the Indiana economic development corporation shall provide for the transfer under item (i) to be made in four (4) equal installments. However, an amount sufficient to meet current obligations to retire or refinance indebtedness or leases for which tax revenues under this

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1 section were pledged before January 1, 2015, by the Orange
 2 County development commission shall be paid to the
 3 Orange County development commission before making
 4 distributions to the South Central Indiana Regional
 5 Economic Development Corporation and Radius Indiana or
 6 their successor entities or partnerships. The amount paid to
 7 the Orange County development commission shall
 8 proportionally reduce the amount payable to the South
 9 Central Indiana Regional Economic Development
 10 Corporation and Radius Indiana or their successor entities
 11 or partnerships.

12 (c) This subsection does not apply to tax revenue remitted by an
 13 inland casino operating in Vigo County. For each city and county
 14 receiving money under subsection (a)(2), the state comptroller shall
 15 determine the total amount of money paid by the state comptroller to
 16 the city or county during the state fiscal year 2002. The amount
 17 determined is the base year revenue for the city or county. The state
 18 comptroller shall certify the base year revenue determined under this
 19 subsection to the city or county. The total amount of money distributed
 20 to a city or county under this section during a state fiscal year may not
 21 exceed the entity's base year revenue. For each state fiscal year, the
 22 state comptroller shall pay that part of the riverboat wagering taxes
 23 that:

- 24 (1) exceeds a particular city's or county's base year revenue; and
- 25 (2) would otherwise be due to the city or county under this
- 26 section;

27 to the state general fund instead of to the city or county.

28 (d) Except as provided in subsections (k) and (l), before August 15
 29 of each year, the state comptroller shall distribute the wagering taxes
 30 set aside for revenue sharing under subsection (a)(1) to the county
 31 treasurer of each county that does not have a riverboat according to the
 32 ratio that the county's population bears to the total population of the
 33 counties that do not have a riverboat. Except as provided in subsection
 34 (g), the county auditor shall distribute the money received by the
 35 county under this subsection as follows:

- 36 (1) To each city located in the county according to the ratio the
- 37 city's population bears to the total population of the county.
- 38 (2) To each town located in the county according to the ratio the
- 39 town's population bears to the total population of the county.
- 40 (3) After the distributions required in subdivisions (1) and (2)
- 41 are made, the remainder shall be retained by the county.

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- 1 (e) Money received by a city, town, or county under subsection (d)
- 2 or (g) may be used for any of the following purposes:
- 3 (1) To reduce the property tax levy of the city, town, or county
- 4 for a particular year (a property tax reduction under this
- 5 subdivision does not reduce the maximum levy of the city, town,
- 6 or county under IC 6-1.1-18.5).
- 7 (2) For deposit in a special fund or allocation fund created under
- 8 IC 8-22-3.5, IC 36-7-14, IC 36-7-14.5, IC 36-7-15.1, and
- 9 IC 36-7-30 to provide funding for debt repayment.
- 10 (3) To fund sewer and water projects, including storm water
- 11 management projects.
- 12 (4) For police and fire pensions.
- 13 (5) To carry out any governmental purpose for which the money
- 14 is appropriated by the fiscal body of the city, town, or county.
- 15 Money used under this subdivision does not reduce the property
- 16 tax levy of the city, town, or county for a particular year or
- 17 reduce the maximum levy of the city, town, or county under
- 18 IC 6-1.1-18.5.
- 19 (f) This subsection does not apply to an inland casino operating in
- 20 Vigo County. Before July 15 of each year, the state comptroller shall
- 21 determine the total amount of money distributed to an entity under
- 22 IC 4-33-12-6 or IC 4-33-12-8 during the preceding state fiscal year. If
- 23 the state comptroller determines that the total amount of money
- 24 distributed to an entity under IC 4-33-12-6 or IC 4-33-12-8 during the
- 25 preceding state fiscal year was less than the entity's base year revenue
- 26 (as determined under IC 4-33-12-9), the state comptroller shall make
- 27 a supplemental distribution to the entity from taxes collected under this
- 28 chapter and deposited into the state general fund. Except as provided
- 29 in subsection (h), the amount of an entity's supplemental distribution
- 30 is equal to:
- 31 (1) the entity's base year revenue (as determined under
- 32 IC 4-33-12-9); minus
- 33 (2) the sum of:
- 34 (A) the total amount of money distributed to the entity and
- 35 constructively received by the entity during the preceding
- 36 state fiscal year under IC 4-33-12-6 or IC 4-33-12-8; plus
- 37 (B) the amount of any admissions taxes deducted under
- 38 IC 6-3.1-20-7.
- 39 (g) This subsection applies only to Marion County. The county
- 40 auditor shall distribute the money received by the county under
- 41 subsection (d) as follows:

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- 1 (1) To each city, other than the consolidated city, located in the
- 2 county according to the ratio that the city's population bears to
- 3 the total population of the county.
- 4 (2) To each town located in the county according to the ratio that
- 5 the town's population bears to the total population of the county.
- 6 (3) After the distributions required in subdivisions (1) and (2)
- 7 are made, the remainder shall be paid in equal amounts to the
- 8 consolidated city and the county.
- 9 (h) This subsection does not apply to an inland casino operating
- 10 in Vigo County. This subsection applies to a supplemental distribution
- 11 made after June 30, 2017. The maximum amount of money that may be
- 12 distributed under subsection (f) in a state fiscal year is equal to the
- 13 following:
- 14 (1) Before July 1, 2021, forty-eight million dollars
- 15 (\$48,000,000).
- 16 (2) After June 30, 2021, if the total adjusted gross receipts
- 17 received by licensees from gambling games authorized under
- 18 this article during the preceding state fiscal year is equal to or
- 19 greater than the total adjusted gross receipts received by
- 20 licensees from gambling games authorized under this article
- 21 during the state fiscal year ending June 30, 2020, the maximum
- 22 amount is forty-eight million dollars (\$48,000,000).
- 23 (3) After June 30, 2021, if the total adjusted gross receipts
- 24 received by licensees from gambling games authorized under
- 25 this article during the preceding state fiscal year is less than the
- 26 total adjusted gross receipts received by licensees from gambling
- 27 games authorized under this article during the state fiscal year
- 28 ending June 30, 2020, the maximum amount is equal to the
- 29 result of:
- 30 (A) forty-eight million dollars (\$48,000,000); multiplied by
- 31 (B) the result of:
- 32 (i) the total adjusted gross receipts received by
- 33 licensees from gambling games authorized under this
- 34 article during the preceding state fiscal year; divided
- 35 by
- 36 (ii) the total adjusted gross receipts received by
- 37 licensees from gambling games authorized under this
- 38 article during the state fiscal year ending June 30,
- 39 2020.
- 40 If the total amount determined under subsection (f) exceeds the
- 41 maximum amount determined under this subsection, the amount

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1 distributed to an entity under subsection (f) must be reduced according
2 to the ratio that the amount distributed to the entity under IC 4-33-12-6
3 or IC 4-33-12-8 bears to the total amount distributed under
4 IC 4-33-12-6 and IC 4-33-12-8 to all entities receiving a supplemental
5 distribution.

6 (i) This subsection applies to a supplemental distribution, if any,
7 payable to Lake County, Hammond, Gary, or East Chicago under
8 subsections (f) and (h). Beginning in July 2016, the state comptroller
9 shall, after making any deductions from the supplemental distribution
10 required by IC 6-3.1-20-7, deduct from the remainder of the
11 supplemental distribution otherwise payable to the unit under this
12 section the lesser of:

- 13 (1) the remaining amount of the supplemental distribution; or
- 14 (2) the difference, if any, between:
 - 15 (A) three million five hundred thousand dollars
 - 16 (\$3,500,000); minus
 - 17 (B) the amount of admissions taxes constructively received
 - 18 by the unit in the previous state fiscal year.

19 The state comptroller shall distribute the amounts deducted under this
20 subsection to the northwest Indiana ~~redevelopment~~ **regional**
21 **development** authority established under IC 36-7.5-2-1 for deposit in
22 the development authority revenue fund established under
23 IC 36-7.5-4-1.

24 (j) Money distributed to a political subdivision under subsection
25 (b):

- 26 (1) must be paid to the fiscal officer of the political subdivision
- 27 and may be deposited in the political subdivision's general fund
- 28 (in the case of a school corporation, the school corporation may
- 29 deposit the money into either the education fund (IC 20-40-2) or
- 30 the operations fund (IC 20-40-18)) or riverboat fund established
- 31 under IC 36-1-8-9, or both;
- 32 (2) may not be used to reduce the maximum levy under
- 33 IC 6-1.1-18.5 of a county, city, or town or the maximum tax rate
- 34 of a school corporation, but, except as provided in subsection
- 35 (b)(3)(B), may be used at the discretion of the political
- 36 subdivision to reduce the property tax levy of the county, city, or
- 37 town for a particular year;
- 38 (3) except as provided in subsection (b)(3)(B), may be used for
- 39 any legal or corporate purpose of the political subdivision,
- 40 including the pledge of money to bonds, leases, or other
- 41 obligations under IC 5-1-14-4; and

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1 (4) is considered miscellaneous revenue.
 2 Money distributed under subsection (b)(3)(B) must be used for the
 3 purposes specified in subsection (b)(3)(B).
 4 (k) After June 30, 2020, the amount of wagering taxes that would
 5 otherwise be distributed to South Bend under subsection (d) shall be
 6 deposited as being received from all riverboats whose supplemental
 7 wagering tax, as calculated under IC 4-33-12-1.5(b), is over three and
 8 five-tenths percent (3.5%). The amount deposited under this
 9 subsection, in each riverboat's account, is proportionate to the
 10 supplemental wagering tax received from that riverboat under
 11 IC 4-33-12-1.5 in the month of July. The amount deposited under this
 12 subsection must be distributed in the same manner as the supplemental
 13 wagering tax collected under IC 4-33-12-1.5. This subsection expires
 14 June 30, 2021.
 15 (l) After June 30, 2021, the amount of wagering taxes that would
 16 otherwise be distributed to South Bend under subsection (d) shall be
 17 withheld and deposited in the state general fund.
 18 SECTION 8. IC 4-33-13-5.4, AS ADDED BY P.L.169-2025,
 19 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 20 UPON PASSAGE]: Sec. 5.4. (a) This section applies to each state
 21 fiscal year beginning after June 30, 2026.
 22 (b) As used in this section, "qualified city" refers to East Chicago,
 23 Hammond, or Michigan City.
 24 (c) As used in this section, "supplemental payment statute" refers
 25 to IC 4-33-13-5.3, as in effect on January 1, 2025.
 26 (d) Subject to subsections (i) and (j), a qualified city is entitled to
 27 supplemental payments under this section for amounts not paid in state
 28 fiscal years 2022, 2023, 2024, and 2025 under the supplemental
 29 payment statute. The state comptroller shall determine the total amount
 30 of supplemental payments to which each qualified city is entitled as
 31 follows:
 32 (1) In the case of East Chicago, an amount equal to the sum of
 33 the following:
 34 (A) Six million four hundred seventy-four thousand two
 35 hundred seventy-four dollars (\$6,474,274).
 36 (B) The amount, if any, for state fiscal year 2025 for which
 37 East Chicago is eligible under the supplemental payment
 38 statute.
 39 (2) In the case of Michigan City, an amount equal to the sum of
 40 the following:
 41 (A) Five million seven hundred fifty-two thousand one

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1 hundred twenty-five dollars (\$5,752,125).
2 (B) The amount, if any, for state fiscal year 2025 for which
3 Michigan City is eligible under the supplemental payment
4 statute.
5 (3) In the case of Hammond, an amount equal to the amount, if
6 any, for state fiscal year 2025 for which Hammond is eligible
7 under the supplemental payment statute.
8 (e) Subject to subsections (j) and (l), each month, **after deducting**
9 **the amount required under section 5(a)(2)(C)(i) of this chapter**, the
10 state comptroller shall deduct an amount otherwise payable to Gary
11 under section ~~5(a)(2)~~ **5(a)(2)(C)** of this chapter, if any, for the purpose
12 of this chapter, not to exceed a total of two million dollars (\$2,000,000)
13 for the state fiscal year.
14 (f) Subject to subsections (i), (j), and (l), the state comptroller shall
15 annually distribute supplemental payments to each qualified city, on a
16 monthly basis, based on:
17 (1) the amount deducted under subsection (e) in the preceding
18 month; and
19 (2) one-twelfth (1/12) of the amount appropriated from the state
20 general fund under subsection (k).
21 (g) Money for the supplemental payments is sourced from:
22 (1) the total amount deducted under subsection (e) in the state
23 fiscal year; plus
24 (2) money appropriated by the general assembly for the state
25 fiscal year for the purpose of making supplemental payments
26 under this section.
27 (h) The state comptroller shall make a supplemental payment in
28 each state fiscal year to each qualified city in an amount determined
29 under the last STEP of the following formula:
30 STEP ONE: Divide the:
31 (A) total amount determined under subsection (d) for the
32 qualified city; by
33 (B) aggregate amount of supplemental payments for all
34 qualified cities determined under subsection (d).
35 STEP TWO: Multiply the:
36 (A) STEP ONE result; by
37 (B) amount of money to be used for supplemental payments
38 in the state fiscal year under subsections (f) and (g).
39 (i) A qualified city may not receive a supplemental payment in
40 excess of the amount determined under subsection (d) for the qualified
41 city.

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1 (j) The total amount of supplemental payments made to qualified
2 cities in all state fiscal years may not exceed the aggregate amount of
3 supplemental payments determined under subsection (d).

4 (k) There is appropriated from the state general fund to the gaming
5 fund two million dollars (\$2,000,000) in each state fiscal year
6 beginning after June 30, 2026, which may only be used to make
7 supplemental payments. Any amount not needed to make a
8 supplemental payment in a state fiscal year reverts to the state general
9 fund at the close of the state fiscal year and may not be used for any
10 other purpose.

11 (l) After the total amount of all supplemental payments to
12 qualified cities determined in subsection (d) have been made under this
13 chapter, the state comptroller shall continue, each month, **after**
14 **deducting the amount required under section 5(a)(2)(C)(i) of this**
15 **chapter**, to deduct an amount otherwise payable to Gary under section
16 ~~5(a)(2)~~ **5(a)(2)(C)** of this chapter as set forth in subsection (e) not to
17 exceed a total of two million dollars (\$2,000,000) for the state fiscal
18 year for the purpose of repaying to the state the total amounts
19 appropriated from the state general fund under subsection (k) and paid
20 to qualified cities as supplemental payments under this chapter. The
21 state comptroller shall cease the deductions under this subsection on
22 the date that the total amounts appropriated from the state general fund
23 under subsection (k) and paid to qualified cities have been repaid.

24 (m) This section expires July 1, 2039.

25 SECTION 9. IC 5-1-14-19 IS ADDED TO THE INDIANA CODE
26 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
27 1, 2026]: **Sec. 19. (a) This section applies to a contract between a**
28 **municipal entity and a municipal adviser entered into, renewed, or**
29 **amended after June 30, 2026.**

30 (b) As used in this section, "municipal adviser" means a
31 person defined as a municipal adviser under Section 15B of the
32 Securities Exchange Act.

33 (c) As used in this section, "municipal entity" refers to:

- 34 (1) a county;
- 35 (2) a township;
- 36 (3) a city;
- 37 (4) a town;
- 38 (5) a school corporation;
- 39 (6) a special taxing district;
- 40 (7) an instrumentality of an entity listed in subdivisions (1)
- 41 through (6); and
- 42 (8) any other entity required to sell bonds pursuant to

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IC 5-1-11.

(d) As used in this section, "municipal financial products" means municipal derivatives, guaranteed investment contracts, and investment strategies.

(e) As used in this section, "obligated person" means any person who is committed under a contract or another arrangement to support the payment of all or part of the obligations on municipal securities to be sold in an offering.

(f) As used in this section, "solicitation of a municipal entity or obligated person" has the meaning set forth in 15 U.S.C. 78o-4(e)(9).

(g) If a municipal entity hires or retains a municipal adviser, the municipal entity shall complete a request for proposals at least once every three (3) years to select the municipal adviser. The request for proposals must include a scope of services and an evaluation criteria outline.

(h) The municipal entity shall publish a contract entered into with a municipal adviser in a prominent location on the municipal entity's website and on the department of local government finance's computer gateway.

SECTION 10. IC 5-14-3.8-3, AS AMENDED BY P.L.1-2025, SECTION 66, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 3. The department, ~~working with the office of technology established by IC 4-13-1-2-1, or another organization that is part of a state educational institution;~~ the office of management and budget established by IC 4-3-22-3, and the state board of accounts established by IC 5-11-1-1 shall post on the Indiana transparency website the following:

- (1) The financial reports required by IC 5-11-1-4.
- (2) The report on expenditures per capita prepared under IC 6-1.1-33.5-7.
- (3) A listing of the property tax rates certified by the department.
- (4) An index of audit reports prepared by the state board of accounts.
- (5) Local development agreement reports prepared under IC 4-33-23-10 and IC 4-33-23-17.
- (6) Information for evaluating the fiscal health of a political subdivision in the format required by section 8(b) of this chapter.
- (7) A listing of expenditures specifically identifying those for:
 - (A) personal services;
 - (B) other operating expenses or total operating expenses;
 - and

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- 1 (C) debt service, including lease payments, related to debt.
- 2 (8) A listing of fund balances, specifically identifying balances
- 3 in funds that are being used for accumulation of money for
- 4 future capital needs.
- 5 (9) Any other financial information deemed appropriate by the
- 6 department.

7 SECTION 11. IC 5-14-3.8-7, AS AMENDED BY P.L.137-2012,
 8 SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 9 JULY 1, 2026]: Sec. 7. The department may require that prescribed
 10 forms be submitted in an electronic format. The department ~~working~~
 11 ~~with the office of technology established by IC 4-13-1-2-1 or another~~
 12 ~~organization that is part of a state educational institution,~~ shall develop
 13 and maintain a secure, web based system that facilitates electronic
 14 submission of the forms under this section. Political subdivisions shall
 15 submit forms under this section through the web based system as
 16 prescribed by the department.

17 SECTION 12. IC 6-1.1-1-8.7 IS AMENDED TO READ AS
 18 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 8.7. "Mobile home"
 19 has the meaning set forth in ~~IC 6-1.1-7-1.~~ **IC 9-13-2-103.2. The term**
 20 **includes a manufactured home (as defined in IC 9-13-2-96(a)).**

21 SECTION 13. IC 6-1.1-2-11, AS ADDED BY P.L.68-2025,
 22 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 23 JULY 1, 2025 (RETROACTIVE)]: Sec. 11. (a) As used in this section,
 24 "tax increment financing allocation area" means any area authorized by
 25 statute in which ad valorem property taxes are allocated, including the
 26 following:

- 27 (1) IC 6-1.1-39 (economic development districts).
- 28 (2) IC 8-22-3.5 (airport development zones).
- 29 (3) IC 36-7-14 (redevelopment of areas needing redevelopment
- 30 generally).
- 31 (4) IC 36-7-15.1 (redevelopment of areas in Marion County).
- 32 (5) IC 36-7-30 (reuse of federal military bases).
- 33 (6) IC 36-7-30.5 (development of multicounty federal military
- 34 bases).
- 35 (7) IC 36-7-32 (certified technology parks).
- 36 (8) IC 36-7-32.5 (innovation development districts).
- 37 (9) IC 36-7.5-4.5 (rail transit development districts).

38 (b) The department shall, in each year beginning after December
 39 31, ~~2025,~~ **2026**, and ending before January 1, 2034, adjust the base
 40 assessed value of each tax increment financing allocation area to
 41 neutralize the effect of the changing tax rates resulting year to year

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1 from the homestead deduction under IC 6-1.1-12-37(c)(2) and
 2 IC 6-1.1-12-37.5(c) and the deduction for eligible property under
 3 IC 6-1.1-12-47. It is the intent of the general assembly that an increase
 4 in revenue from a change in tax rates resulting from these statutes
 5 accrue only to the base assessed value and not to the tax increment
 6 financing allocation area. However, in the case of a decrease in revenue
 7 from a change in tax rates resulting from these statutes, the department
 8 may neutralize the change under this subsection in a positive manner
 9 with regard to the tax increment financing allocation area to protect the
 10 ability to pay bonds based on incremental revenue, if the tax increment
 11 financing allocation area demonstrates to the department that an
 12 adjustment is needed before the department calculates a positive
 13 neutralization adjustment.

14 SECTION 14. IC 6-1.1-3-17, AS AMENDED BY P.L.232-2017,
 15 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 16 JANUARY 1, 2026 (RETROACTIVE)]: Sec. 17. (a) On or before June
 17 1 of each year, each township assessor (if any) of a county shall deliver
 18 to the county assessor a list which states by taxing district the total of
 19 the personal property assessments as shown on the personal property
 20 returns filed with the township assessor on or before the filing date of
 21 that year and in a county with a township assessor under IC 36-6-5-1
 22 in every township the township assessor shall deliver the lists to the
 23 county auditor as prescribed in subsection (b).

24 (b) On or before July 1 of each year, each county assessor shall
 25 certify to the county auditor **and the department of local government**
 26 **finance** the assessment value of the personal property in every taxing
 27 district. **The county assessor shall certify the assessment value of**
 28 **the personal property in the form prescribed by the department of**
 29 **local government finance.**

30 (c) ~~The department of local government finance shall prescribe the~~
 31 ~~forms required by this section.~~ **If a county assessor fails to certify to**
 32 **the county auditor and the department of local government finance**
 33 **the assessment value of the personal property in every taxing**
 34 **district on or before July 1 in accordance with subsection (b), the**
 35 **county assessor shall, on or before July 1 of the same calendar**
 36 **year, provide electronic notice to the county auditor, the county**
 37 **fiscal body, the department of local government finance, and each**
 38 **political subdivision in the county subject to IC 6-1.1-17-16. The**
 39 **electronic notice must include a written statement acknowledging**
 40 **noncompliance and detail the reasons why the statutory deadline**
 41 **provided in subsection (b) was not met.**

42 (d) The department of local government finance shall, before

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1 **February 2, 2027, and before February 2 of each year thereafter,**
2 **submit a report of the counties that failed to meet the statutory**
3 **deadline set forth in subsection (b) to the legislative services agency**
4 **for distribution to the members of the legislative council. The**
5 **report must be in an electronic format under IC 5-14-6.**

6 SECTION 15. IC 6-1.1-4-4.5, AS AMENDED BY P.L.230-2025,
7 SECTION 19, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
8 JULY 1, 2026]: Sec. 4.5. (a) The department of local government
9 finance shall adopt rules establishing a system for annually adjusting
10 the assessed value of real property to account for changes in value in
11 those years since a reassessment under section 4.2 of this chapter for
12 the property last took effect.

13 (b) Subject to subsection (f), the system must be applied to adjust
14 assessed values beginning with the 2006 assessment date and each year
15 thereafter that is not a year in which a reassessment under section 4.2
16 of this chapter for the property becomes effective.

17 (c) The rules adopted under subsection (a) must include the
18 following characteristics in the system:

19 (1) Promote uniform and equal assessment of real property
20 within and across classifications.

21 (2) Require that assessing officials:
22 (A) reevaluate the factors that affect value;
23 (B) express the interactions of those factors mathematically;
24 (C) use mass appraisal techniques to estimate updated
25 property values within statistical measures of accuracy; and
26 (D) provide notice to taxpayers of an assessment increase
27 that results from the application of annual adjustments.

28 (3) Prescribe procedures that permit the application of the
29 adjustment percentages in an efficient manner by assessing
30 officials.

31 (d) The department of local government finance must review and
32 certify each annual adjustment determined under this section.

33 (e) For an assessment beginning after December 31, 2022,
34 agricultural improvements such as but not limited to barns, grain bins,
35 or silos on land assessed as agricultural shall not be adjusted using
36 factors, such as neighborhood delineation, that are appropriate for use
37 in adjusting residential, commercial, and industrial real property. Those
38 portions of agricultural parcels that include land and buildings not used
39 for an agricultural purpose, such as homes, homesites, and excess
40 residential land and commercial or industrial land and buildings, shall
41 be adjusted by the factor or factors developed for other similar property
42 within the geographic stratification. The residential portion of

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1 agricultural properties shall be adjusted by the factors applied to
2 similar residential purposes.

3 (f) In making the annual determination of the base rate to satisfy
4 the requirement for an annual adjustment for each assessment date, the
5 department of local government finance shall, not later than March 1
6 of each year, determine the base rate using the methodology reflected
7 in Table 2-18 of Book 1, Chapter 2 of the department of local
8 government finance's Real Property Assessment Guidelines (as in
9 effect on January 1, 2005), except that the department shall adjust the
10 methodology as follows:

11 (1) Use a six (6) year rolling average adjusted under subdivision
12 (3) instead of a four (4) year rolling average.

13 (2) Use the data from the six (6) most recent years preceding the
14 year in which the assessment date occurs for which data is
15 available, before one (1) of those six (6) years is eliminated
16 under subdivision (3) when determining the rolling average.

17 (3) Eliminate in the calculation of the rolling average the year
18 among the six (6) years for which the highest market value in use
19 of agricultural land is determined.

20 (4) After determining a preliminary base rate that would apply
21 for the assessment date without applying the adjustment under
22 this subdivision, the department of local government finance
23 shall adjust the preliminary base rate as follows:

24 (A) If the preliminary base rate for the assessment date
25 would be at least ten percent (10%) greater than the final
26 base rate determined for the preceding assessment date, a
27 capitalization rate of:

28 (i) for purposes of determining the preliminary base
29 rate for the January 1, 2025, ~~and the~~ January 1, 2026,
30 **and January 1, 2027**, assessment dates, nine percent
31 (9%); and

32 (ii) for purposes of determining the preliminary base
33 rate for assessment dates before January 1, 2025, and
34 for assessment dates after December 31, ~~2026~~, **2027**,
35 eight percent (8%);

36 shall be used to determine the final base rate.

37 (B) If the preliminary base rate for the assessment date
38 would be at least ten percent (10%) less than the final base
39 rate determined for the preceding assessment date, a
40 capitalization rate of six percent (6%) shall be used to
41 determine the final base rate.

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- 1 (C) If neither clause (A) nor clause (B) applies, a
- 2 capitalization rate of seven percent (7%) shall be used to
- 3 determine the final base rate.
- 4 (D) In the case of a market value in use for a year that is
- 5 used in the calculation of the six (6) year rolling average
- 6 under subdivision (1) for purposes of determining the base
- 7 rate for the assessment date:
 - 8 (i) that market value in use shall be recalculated by
 - 9 using the capitalization rate determined under clauses
 - 10 (A) through (C) for the calculation of the base rate for
 - 11 the assessment date; and
 - 12 (ii) the market value in use recalculated under item (i)
 - 13 shall be used in the calculation of the six (6) year
 - 14 rolling average under subdivision (1).
- 15 (g) For assessment dates after December 31, 2009, an adjustment
- 16 in the assessed value of real property under this section shall be based
- 17 on the estimated true tax value of the property on the assessment date
- 18 that is the basis for taxes payable on that real property.
- 19 (h) The department shall release the department's annual
- 20 determination of the base rate on or before March 1 of each year.
- 21 (i) For the January 1, 2025, assessment date only, the base rate
- 22 determined using the capitalization rate under subsection (f)(4)(A)(i)
- 23 shall not apply to land that is assessed under section 12 of this chapter.
- 24 SECTION 16. IC 6-1.1-4-25, AS AMENDED BY P.L.1-2025,
- 25 SECTION 76, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 26 JANUARY 1, 2026 (RETROACTIVE)]: Sec. 25. (a) Each township
- 27 assessor and each county assessor shall keep the assessor's
- 28 reassessment data and records current by securing the necessary field
- 29 data and by making changes in the assessed value of real property as
- 30 changes occur in the use of the real property. The township or county
- 31 assessor's records shall at all times show the assessed value of real
- 32 property in accordance with this chapter. The township assessor shall
- 33 ensure that the county assessor has full access to the assessment
- 34 records maintained by the township assessor.
- 35 (b) The county assessor shall:
 - 36 (1) maintain an electronic data file of:
 - 37 (A) the parcel characteristics and parcel assessments of all
 - 38 parcels; and
 - 39 (B) the personal property return characteristics and
 - 40 assessments by return;
 - 41 for each township in the county as of each assessment date;

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1 (2) maintain the electronic file in a form that formats the
 2 information in the file with the standard data, field, and record
 3 coding required and approved by:
 4 (A) the legislative services agency; and
 5 (B) the department of local government finance;
 6 (3) provide electronic access to property record cards on the
 7 official county website; and
 8 (4) before ~~September 1~~ **July 1** of each year, transmit the data in
 9 the file with respect to the assessment date of that year to the
 10 department of local government finance.
 11 (c) The appropriate county officer, as designated by the county
 12 executive, shall:
 13 (1) maintain an electronic data file of the geographic information
 14 system characteristics of each parcel for each township in the
 15 county as of each assessment date;
 16 (2) maintain the electronic file in a form that formats the
 17 information in the file with the standard data, field, and record
 18 coding required and approved by the office of technology; and
 19 (3) before ~~September 1~~ **July 1** of each year, transmit the data in
 20 the file with respect to the assessment date of that year to the
 21 geographic information office of the office of technology.
 22 (d) An assessor under subsection (b) and an appropriate county
 23 officer under subsection (c) shall do the following:
 24 (1) Transmit the data in a manner that meets the data export and
 25 transmission requirements in a standard format, as prescribed by
 26 the office of technology established by IC 4-13.1-2-1 and
 27 approved by the legislative services agency.
 28 (2) Resubmit the data in the form and manner required under
 29 subsection (b) or (c) upon request of the legislative services
 30 agency, the department of local government finance, or the
 31 geographic information office of the office of technology, as
 32 applicable, if data previously submitted under subsection (b) or
 33 (c) does not comply with the requirements of subsection (b) or
 34 (c), as determined by the legislative services agency, the
 35 department of local government finance, or the geographic
 36 information office of the office of technology, as applicable.
 37 An electronic data file maintained for a particular assessment date may
 38 not be overwritten with data for a subsequent assessment date until a
 39 copy of an electronic data file that preserves the data for the particular
 40 assessment date is archived in the manner prescribed by the office of
 41 technology established by IC 4-13.1-2-1 and approved by the

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1 legislative services agency.
2 SECTION 17. IC 6-1.1-5-14, AS AMENDED BY P.L.232-2017,
3 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
4 JANUARY 1, 2026 (RETROACTIVE)]: Sec. 14. (a) Not later than:
5 (1) May 15 in each calendar year ending before January 1, 2017;
6 and
7 (2) May 1 in each calendar year ending after December 31,
8 2016;
9 each township assessor in the county (if any) shall prepare and deliver
10 to the county assessor a detailed list of the real property listed for
11 taxation in the township.
12 (b) On or before July 1 of each calendar year, each county assessor
13 shall, under oath, ~~prepare and deliver~~ **certify** to the county auditor **and**
14 **the department of local government finance** a detailed list of the real
15 property listed for taxation in the county. The county assessor shall
16 ~~prepare~~ **certify** the list in the form prescribed by the department of
17 local government finance.
18 (c) **If the county assessor fails to certify to the county auditor**
19 **and the department of local government finance a detailed list of**
20 **the real property on or before July 1 in accordance with subsection**
21 **(b), then the county assessor shall, on or before July 1 of the same**
22 **calendar year, provide electronic notice to the county auditor, the**
23 **county fiscal body, the department of local government finance,**
24 **and each political subdivision in the county subject to**
25 **IC 6-1.1-17-16. The electronic notice must include a written**
26 **statement acknowledging noncompliance and detail the reasons**
27 **why the statutory deadline set forth in subsection (b) was not met.**
28 (d) **The department of local government finance shall, before**
29 **February 2, 2027, and before February 2 of each year thereafter,**
30 **submit a report of the counties that failed to meet the statutory**
31 **deadline set forth in subsection (b) to the legislative services agency**
32 **for distribution to the members of the legislative council. The**
33 **report must be in an electronic format under IC 5-14-6.**
34 SECTION 18. IC 6-1.1-7-1, AS AMENDED BY P.L.23-2024,
35 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
36 UPON PASSAGE]: Sec. 1. (a) Except as provided in IC 6-1.1-10.5,
37 mobile homes which are located within this state on the assessment
38 date of a year shall be assessed and taxed for that year in the manner
39 provided in this chapter. If a provision of this chapter conflicts with
40 another provision of this article, the provision of this chapter controls
41 with respect to the assessment and taxation of mobile homes.
42 (b) For purposes of this chapter, "mobile home" ~~means a dwelling~~

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- 1 which:
- 2 (1) is factory assembled;
- 3 (2) is transportable;
- 4 (3) is intended for year around occupancy;
- 5 (4) exceeds thirty-five (35) feet in length; and
- 6 (5) is designed either for transportation on its own chassis or
- 7 placement on a temporary foundation. **has the meaning set**
- 8 **forth in IC 9-13-2-103.2. The term includes a manufactured**
- 9 **home (as defined in IC 9-13-2-96(a)).**

10 SECTION 19. IC 6-1.1-7-10.4, AS AMENDED BY P.L.118-2022,
 11 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 12 JULY 1, 2026]: Sec. 10.4. (a) This section does not apply to a mobile
 13 home that is offered for sale at auction under IC 9-22-1.5 or
 14 IC 9-22-1.7 for the transfer resulting from the auction.

15 (b) The owner of a mobile home who sells the mobile home to
 16 another person shall provide the purchaser with the permit required by
 17 section 10(d) of this chapter before the sale is consummated.

18 (c) **The purchaser of a mobile home shall process the**
 19 **paperwork with the bureau of motor vehicles to transfer the title**
 20 **into the purchaser's name within ninety (90) days of the sale.**

21 SECTION 20. IC 6-1.1-8-24.5, AS AMENDED BY P.L.230-2025,
 22 SECTION 22, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 23 JANUARY 1, 2026 (RETROACTIVE)]: Sec. 24.5. The department of
 24 local government finance shall annually determine and release a solar
 25 land base rate for the north region, the central region, and the south
 26 region of the state as follows:

27 (1) For each region, the department shall determine the median
 28 true tax value per acre of all land in the region classified under
 29 the utility property class codes of the department of local
 30 government finance for the immediately preceding assessment
 31 date. ~~For purposes of these determinations, the department shall~~
 32 ~~exclude any land classified under the department's utility~~
 33 ~~property class codes that is assessed using the agricultural base~~
 34 ~~rate for the immediately preceding assessment date.~~

35 (2) The department shall release the department's annual
 36 determination of the solar land base rates on or before December
 37 1 of each year.

38 SECTION 21. IC 6-1.1-10.2 IS ADDED TO THE INDIANA
 39 CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS
 40 [EFFECTIVE JANUARY 1, 2026 (RETROACTIVE)]:

41 **Chapter 10.2. Exemptions for Indiana Nonprofit Senior Living**
 42 **Communities**

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1 **Sec. 1. It is the intent of the general assembly that Indiana**
 2 **nonprofit senior living communities identified in this chapter that**
 3 **also meet the requirements set out in this chapter be exempt from**
 4 **property taxation, including real and tangible property.**

5 **Sec. 2. All or part of a building is exempt from property**
 6 **taxation if it is owned by an Indiana nonprofit entity that is:**

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

9 (2) **defined as a small house health facility under**
 10 **IC 16-18-2-331.9; or**

11 (3) **licensed as a health care or residential care facility under**
 12 **IC 16-28.**

13 **Sec. 3. Tangible personal property is exempt from property**
 14 **taxation if it is owned by an Indiana nonprofit entity that is:**

15 (1) **registered as a continuing care retirement community**
 16 **under IC 23-2-4;**

17 (2) **defined as a small house health facility under**
 18 **IC 16-18-2-331.9; or**

19 (3) **licensed as a health care or residential care facility under**
 20 **IC 16-28.**

21 SECTION 22. IC 6-1.1-10.3-3, AS AMENDED BY P.L.68-2025,
 22 SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 23 JULY 1, 2028]: Sec. 3. As used in this chapter, "exemption ordinance"
 24 refers to an ordinance adopted under section 5 of this chapter by a local
 25 income tax council (before July 1, ~~2027~~ **2028**) or by a county adopting
 26 body specified in IC 6-3.6-3-1(a) (after June 30, ~~2027~~: **2028**).

27 SECTION 23. IC 6-1.1-10.5-1, AS ADDED BY P.L.23-2024,
 28 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 29 UPON PASSAGE]: Sec. 1. (a) This chapter applies to ~~mobile homes~~
 30 ~~and~~ **manufactured homes** that are assessed under IC 6-1.1-7.

31 (b) This chapter does not apply to ~~mobile homes and~~ **manufactured**
 32 **homes** that are assessed as:

33 (1) **inventory; or**

34 (2) **real property;**

35 under this article and in accordance with rules adopted by the
 36 department of local government finance.

37 SECTION 24. IC 6-1.1-10.5-4, AS ADDED BY P.L.23-2024,
 38 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 39 UPON PASSAGE]: Sec. 4. As used in this chapter, "manufactured
 40 home" has the meaning set forth in ~~IC 9-13-2-96~~. **IC 9-13-2-96(a). The**
 41 **term includes a mobile home (as defined in IC 9-13-2-103.2).**

42 SECTION 25. IC 6-1.1-10.5-5, AS ADDED BY P.L.23-2024,



1 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
2 UPON PASSAGE]: Sec. 5. As used in this chapter, "mobile home" has
3 the meaning set forth in ~~IC 6-1.1-7-1(b)~~. **IC 9-13-2-103.2. The term**
4 **includes a manufactured home (as defined in IC 9-13-2-96(a)).**

5 SECTION 26. IC 6-1.1-12-13, AS AMENDED BY P.L.230-2025,
6 SECTION 31, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
7 JANUARY 1, 2026 (RETROACTIVE)]: Sec. 13. (a) Except as
8 provided in section 40.5 of this chapter, an individual may have
9 twenty-four thousand nine hundred sixty dollars (\$24,960) deducted
10 from the assessed value of the taxable tangible property that the
11 individual owns, or real property, a mobile home not assessed as real
12 property, or a manufactured home not assessed as real property that the
13 individual is buying under a contract that provides that the individual
14 is to pay property taxes on the real property, mobile home, or
15 manufactured home, if the contract or a memorandum of the contract
16 is recorded in the county recorder's office and if:

- 17 (1) the individual served in the military or naval forces of the
 - 18 United States during any of its wars;
 - 19 (2) the individual received an honorable discharge;
 - 20 (3) the individual has a disability with a service connected
 - 21 disability of ten percent (10%) or more;
 - 22 (4) the individual's disability is evidenced by:
 - 23 (A) a pension certificate, an award of compensation, or a
 - 24 disability compensation check issued by the United States
 - 25 Department of Veterans Affairs; or
 - 26 (B) a certificate of eligibility issued to the individual by the
 - 27 Indiana department of veterans' affairs after the Indiana
 - 28 department of veterans' affairs has determined that the
 - 29 individual's disability qualifies the individual to receive a
 - 30 deduction under this section; and
 - 31 (5) the individual:
 - 32 (A) owns the real property, mobile home, or manufactured
 - 33 home; or
 - 34 (B) is buying the real property, mobile home, or
 - 35 manufactured home under contract;
- 36 on the date the statement required by section 15 of this chapter
37 is filed.

38 (b) The surviving spouse of an individual may receive the
39 deduction provided by this section if the individual satisfied the
40 requirements of subsection (a)(1) through (a)(4) at the time of death
41 and the surviving spouse satisfies the requirement of subsection (a)(5)

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1 at the time the deduction statement is filed. The surviving spouse is
 2 entitled to the deduction regardless of whether the property for which
 3 the deduction is claimed was owned by the deceased veteran or the
 4 surviving spouse before the deceased veteran's death.

5 (c) One who receives the deduction provided by this section may
 6 not receive the deduction provided by section 16 of this chapter.
 7 However, the individual may receive any other property tax deduction
 8 which the individual is entitled to by law.

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

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

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

19 SECTION 27. IC 6-1.1-12-14, AS AMENDED BY P.L.230-2025,
 20 SECTION 32, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 21 JANUARY 1, 2026 (RETROACTIVE)]: Sec. 14. (a) ~~Except as~~
 22 ~~provided in subsection (c) and~~ Except as provided in section 40.5 of
 23 this chapter, an individual may have ~~the sum of fourteen thousand~~
 24 ~~dollars (\$14,000) one hundred percent (100%) of the assessed value~~
 25 deducted from the assessed value of the real property, mobile home not
 26 assessed as real property, or manufactured home not assessed as real
 27 property that the individual owns (or the real property, mobile home
 28 not assessed as real property, or manufactured home not assessed as
 29 real property that the individual is buying under a contract that
 30 provides that the individual is to pay property taxes on the real
 31 property, mobile home, or manufactured home if the contract or a
 32 memorandum of the contract is recorded in the county recorder's office)
 33 **and uses as the individual's primary residence if:**

- 34 (1) the individual served in the military or naval forces of the
 35 United States for at least ninety (90) days;
 36 (2) the individual received an honorable discharge;
 37 (3) the individual ~~either:~~
 38 (A) has a total disability; ~~or~~
 39 (B) is at least ~~sixty-two (62)~~ years old and has a disability of
 40 at least ~~ten percent (10%)~~;
 41 (4) the individual's disability is evidenced by:

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- 1 (A) a pension certificate or an award of compensation
 2 issued by the United States Department of Veterans Affairs;
 3 or
 4 (B) a certificate of eligibility issued to the individual by the
 5 Indiana department of veterans' affairs after the Indiana
 6 department of veterans' affairs has determined that the
 7 individual's disability qualifies the individual to receive a
 8 deduction under this section; **and**
 9 (5) the individual:
 10 (A) owns the real property, mobile home, or manufactured
 11 home; or
 12 (B) is buying the real property, mobile home, or
 13 manufactured home under contract;
 14 on the date the statement required by section 15 of this chapter
 15 is filed; **and**
 16 **(6) the individual has resided in Indiana for at least one (1)**
 17 **year before the assessment date for which the deduction**
 18 **under this section is claimed.**
 19 (b) Except as provided in subsections (c) and (d); The surviving
 20 spouse of an individual may receive the deduction provided by this
 21 section if
 22 (1) the individual satisfied the requirements of subsection (a)(1)
 23 through (a)(4) at the time of death **or**
 24 (2) the individual:
 25 (A) was killed in action;
 26 (B) died while serving on active duty in the military or
 27 naval forces of the United States; or
 28 (C) died while performing inactive duty training in the
 29 military or naval forces of the United States; and
 30 the surviving spouse satisfies the requirement of subsection (a)(5) at
 31 the time the deduction statement is filed. The surviving spouse is
 32 entitled to the deduction regardless of whether the property for which
 33 the deduction is claimed was owned by the deceased veteran or the
 34 surviving spouse before the deceased veteran's death. **However, a**
 35 **surviving spouse is no longer eligible for the deduction under this**
 36 **section if the surviving spouse subsequently remarries.**
 37 (c) Except as provided in subsection (f); no one is entitled to the
 38 deduction provided by this section if the assessed value of the
 39 individual's Indiana real property; Indiana mobile home not assessed as
 40 real property; and Indiana manufactured home not assessed as real
 41 property; as shown by the tax duplicate, exceeds the assessed value
 42 limit specified in subsection (d):

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1 (d) Except as provided in subsection (f); for the:

2 (1) January 1, 2017; January 1, 2018; and January 1, 2019;
3 assessment dates; the assessed value limit for purposes of
4 subsection (c) is one hundred seventy-five thousand dollars
5 (\$175,000);

6 (2) January 1, 2020; January 1, 2021; January 1, 2022; and
7 January 1, 2023; assessment dates; the assessed value limit for
8 purposes of subsection (c) is two hundred thousand dollars
9 (\$200,000); and

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

13 (e) (c) An individual who has sold real property, a mobile home
14 not assessed as real property, or a manufactured home not assessed as
15 real property to another person under a contract that provides that the
16 contract buyer is to pay the property taxes on the real property, mobile
17 home, or manufactured home may not claim the deduction provided
18 under this section against that real property, mobile home, or
19 manufactured home.

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

24 (1) December 31, 2019; or

25 (2) the first year that the individual has received the deduction;
26 are not considered unless the increase in assessed value is attributable
27 to substantial renovation or new improvements. Where there is an
28 increase in assessed value for purposes of the deduction under this
29 section; the assessor shall provide a report to the county auditor
30 describing the substantial renovation or new improvements, if any, that
31 were made to the property prior to the increase in assessed value.

32 SECTION 28. IC 6-1.1-12-14.5, AS AMENDED BY
33 P.L.230-2025, SECTION 33, IS AMENDED TO READ AS
34 FOLLOWS [EFFECTIVE JANUARY 1, 2026 (RETROACTIVE)]:
35 Sec. 14.5. (a) As used in this section, "homestead" has the meaning set
36 forth in section 37 of this chapter.

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

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

41 (2) the individual received an honorable discharge;

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- 1 (3) the individual has a disability of at least fifty percent (50%);
 2 (4) the individual's disability is evidenced by:
 3 (A) a pension certificate or an award of compensation
 4 issued by the United States Department of Veterans Affairs;
 5 or
 6 (B) a certificate of eligibility issued to the individual by the
 7 Indiana department of veterans' affairs after the Indiana
 8 department of veterans' affairs has determined that the
 9 individual's disability qualifies the individual to receive a
 10 deduction under this section; and
 11 (5) the homestead was conveyed without charge to the individual
 12 who is the owner of the homestead by an organization that is
 13 exempt from income taxation under the federal Internal Revenue
 14 Code.
- 15 (c) If an individual is entitled to a deduction from assessed value
 16 under subsection (b) for the individual's homestead, the amount of the
 17 deduction is determined as follows:
 18 (1) If the individual is totally disabled, the deduction is equal to
 19 one hundred percent (100%) of the assessed value of the
 20 homestead.
 21 (2) If the individual has a disability of at least ninety percent
 22 (90%) but the individual is not totally disabled, the deduction is
 23 equal to ninety percent (90%) of the assessed value of the
 24 homestead.
 25 (3) If the individual has a disability of at least eighty percent
 26 (80%) but less than ninety percent (90%), the deduction is equal
 27 to eighty percent (80%) of the assessed value of the homestead.
 28 (4) If the individual has a disability of at least seventy percent
 29 (70%) but less than eighty percent (80%), the deduction is equal
 30 to seventy percent (70%) of the assessed value of the homestead.
 31 (5) If the individual has a disability of at least sixty percent
 32 (60%) but less than seventy percent (70%), the deduction is
 33 equal to sixty percent (60%) of the assessed value of the
 34 homestead.
 35 (6) If the individual has a disability of at least fifty percent (50%)
 36 but less than sixty percent (60%), the deduction is equal to fifty
 37 percent (50%) of the assessed value of the homestead.
- 38 (d) An individual who claims a deduction under this section for an
 39 assessment date may not also claim a deduction under section 13
 40 **(before its expiration)** or 14 of this chapter for that same assessment
 41 date.

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

4 SECTION 29. IC 6-1.1-12-15, AS AMENDED BY P.L.230-2025,
 5 SECTION 34, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 6 JANUARY 1, 2026 (RETROACTIVE)]: Sec. 15. (a) Except as
 7 provided in section 17.8 of this chapter and subject to section 45 of this
 8 chapter, an individual who desires to claim the deduction provided by
 9 section ~~13~~ or 14 of this chapter must file a statement with the auditor
 10 of the county in which the ~~individual resides.~~ **property is located.** To
 11 obtain the deduction for a desired calendar year in which property taxes
 12 are first due and payable, the statement must be completed, dated, and
 13 filed with the county auditor on or before January 15 of the calendar
 14 year in which the property taxes are first due and payable. The
 15 statement may be filed in person or by mail. If mailed, the mailing must
 16 be postmarked on or before the last day for filing. The statement shall
 17 contain a sworn declaration that the individual is entitled to the
 18 deduction.

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

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

25 ~~(2) (1) a pension certificate or an award of compensation issued~~
 26 ~~by the United States Department of Veterans Affairs if the~~
 27 ~~individual claims the deduction provided by section 14 of this~~
 28 ~~chapter; or~~

29 ~~(3) (2) the appropriate certificate of eligibility issued to the~~
 30 ~~individual by the Indiana department of veterans' affairs if the~~
 31 ~~individual claims the deduction provided by section 13 or 14 of~~
 32 ~~this chapter.~~

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

41 (d) If the individual claiming a deduction under section ~~13~~ or 14

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1 of this chapter is buying real property, a mobile home not assessed as
 2 real property, or a manufactured home not assessed as real property
 3 under a contract that provides that the individual is to pay property
 4 taxes for the real estate, mobile home, or manufactured home, the
 5 statement required by this section must contain the record number and
 6 page where the contract or memorandum of the contract is recorded.

7 SECTION 30. IC 6-1.1-12-16, AS AMENDED BY P.L.68-2025,
 8 SECTION 28, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 9 JANUARY 1, 2026 (RETROACTIVE)]: Sec. 16. (a) Except as
 10 provided in section 40.5 of this chapter, a surviving spouse may have
 11 the sum of eighteen thousand seven hundred twenty dollars (\$18,720)
 12 deducted from the assessed value of the surviving spouse's tangible
 13 property, or real property, mobile home not assessed as real property,
 14 or manufactured home not assessed as real property that the surviving
 15 spouse is buying under a contract that provides that the surviving
 16 spouse is to pay property taxes on the real property, mobile home, or
 17 manufactured home, if the contract or a memorandum of the contract
 18 is recorded in the county recorder's office, and if:

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

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

22 (3) the surviving spouse:

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

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

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

29 (b) A surviving spouse who receives the deduction provided by
 30 this section may not receive the deduction provided by section 13
 31 **(before its expiration)** of this chapter. However, the surviving spouse
 32 may receive any other deduction which the surviving spouse is entitled
 33 to by law.

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

41 (d) This section applies only to property taxes imposed for an

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1 assessment date before January 1, 2025.

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

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

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

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

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

40 (c) The auditor of each county shall, in a particular year, apply a
 41 deduction provided under section 9 (before its expiration), 11 (before

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1 its expiration), 13 (**before its expiration**), 14, 16 (before its
 2 expiration), 17.4 (before its expiration), or 37 of this chapter to each
 3 individual who received the deduction in the preceding year unless the
 4 auditor determines that the individual is no longer eligible for the
 5 deduction.

6 (d) An individual who receives a deduction provided under section
 7 9 (before its expiration), 11 (before its expiration), 13 (**before its**
 8 **expiration**), 14, 16 (before its expiration), 17.4 (before its expiration),
 9 or 37 of this chapter for property that is jointly held with another owner
 10 in a particular year and remains eligible for the deduction in the
 11 following year is not required to file a statement to reapply for the
 12 deduction following the removal of the joint owner if:

13 (1) the individual is the sole owner of the property following the
 14 death of the individual's spouse; or

15 (2) the individual is the sole owner of the property following the
 16 death of a joint owner who was not the individual's spouse.

17 If a county auditor terminates a deduction under section 9 of this
 18 chapter (before its expiration), a deduction under section 37 of this
 19 chapter, or a credit under IC 6-1.1-20.6-8.5 after June 30, 2017, and
 20 before May 1, 2019, because the taxpayer claiming the deduction or
 21 credit did not comply with a requirement added to this subsection by
 22 P.L.255-2017 to reapply for the deduction or credit, the county auditor
 23 shall reinstate the deduction or credit if the taxpayer provides proof that
 24 the taxpayer is eligible for the deduction or credit and is not claiming
 25 the deduction or credit for any other property.

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

33 (1) the individual who occupies the real property receives a
 34 deduction provided under section 9 (before its expiration), 11
 35 (before its expiration), 13 (**before its expiration**), 14, 16 (before
 36 its expiration), 17.4 (before its expiration), or 37 of this chapter
 37 in a particular year; and

38 (2) the trust remains eligible for the deduction in the following
 39 year.

40 However, for purposes of a deduction under section 37 of this chapter,
 41 the individuals that qualify the trust for a deduction must comply with

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1 the requirement in IC 6-1.1-22-8.1(b)(9) (expired January 1, 2015)
2 before January 1, 2013.

3 (f) A cooperative housing corporation (as defined in 26 U.S.C.
4 216) that is entitled to a deduction under section 37 of this chapter in
5 the immediately preceding calendar year for a homestead (as defined
6 in section 37 of this chapter) is not required to file a statement to apply
7 for the deduction for the current calendar year if the cooperative
8 housing corporation remains eligible for the deduction for the current
9 calendar year. However, the county auditor may, in the county auditor's
10 discretion, terminate the deduction for assessment dates after January
11 15, 2012, if the individual does not comply with the requirement in
12 IC 6-1.1-22-8.1(b)(9) (expired January 1, 2015), as determined by the
13 county auditor, before January 1, 2013. Before the county auditor
14 terminates a deduction because the taxpayer claiming the deduction did
15 not comply with the requirement in IC 6-1.1-22-8.1(b)(9) (expired
16 January 1, 2015) before January 1, 2013, the county auditor shall mail
17 notice of the proposed termination of the deduction to:

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

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

23 (g) An individual who:

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

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

31 is not required to file a statement to apply for a deduction under section
32 37 of this chapter if the individual remains eligible for the deduction in
33 the current year. An individual who filed for a homestead credit under
34 IC 6-1.1-20.9 (repealed) for an assessment date after March 1, 2007 (if
35 the property is real property), or after January 1, 2008 (if the property
36 is personal property), shall be treated as an individual who has filed for
37 a deduction under section 37 of this chapter. However, the county
38 auditor may, in the county auditor's discretion, terminate the deduction
39 for assessment dates after January 15, 2012, if the individual does not
40 comply with the requirement in IC 6-1.1-22-8.1(b)(9) (expired January
41 1, 2015), as determined by the county auditor, before January 1, 2013.

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1 Before the county auditor terminates the deduction because the
 2 taxpayer claiming the deduction did not comply with the requirement
 3 in IC 6-1.1-22-8.1(b)(9) (expired January 1, 2015) before January 1,
 4 2013, the county auditor shall mail notice of the proposed termination
 5 of the deduction to the last known address of each person liable for any
 6 property taxes or special assessment, as shown on the tax duplicate or
 7 special assessment records, or to the last known address of the most
 8 recent owner shown in the transfer book.

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

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

19 SECTION 32. IC 6-1.1-12-17.9, AS AMENDED BY
 20 P.L.230-2025, SECTION 36, IS AMENDED TO READ AS
 21 FOLLOWS [EFFECTIVE JANUARY 1, 2026 (RETROACTIVE)]:
 22 Sec. 17.9. A trust is entitled to a deduction under section 9 (before its
 23 expiration), 11 (before its expiration), 13 (**before its expiration**), ~~14~~,
 24 16 (before its expiration), or 17.4 (before its expiration) of this chapter
 25 for real property owned by the trust and occupied by an individual if
 26 the county auditor determines that the individual:

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

- 29 (A) a beneficial interest in the trust; or
- 30 (B) the right to occupy the real property rent free under the
- 31 terms of a qualified personal residence trust created by the
- 32 individual under United States Treasury Regulation
- 33 25.2702-5(c)(2); and

34 (2) otherwise qualifies for the deduction.

35 SECTION 33. IC 6-1.1-12-37, AS AMENDED BY THE
 36 TECHNICAL CORRECTIONS BILL OF THE 2026 GENERAL
 37 ASSEMBLY, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 38 JULY 1, 2026]: Sec. 37. (a) The following definitions apply throughout
 39 this section:

- 40 (1) "Dwelling" means any of the following:
- 41 (A) Residential real property improvements that an

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1 individual uses as the individual's residence, limited to a
 2 single house and a single garage, regardless of whether the
 3 single garage is attached to the single house or detached
 4 from the single house.

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

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

10 (2) "Homestead" means an individual's principal place of
 11 residence:

12 (A) that is located in Indiana;

13 (B) that:

14 (i) the individual owns;

15 (ii) the individual is buying under a contract recorded
 16 in the county recorder's office, or evidenced by a
 17 memorandum of contract recorded in the county
 18 recorder's office under IC 36-2-11-20, that provides
 19 that the individual is to pay the property taxes on the
 20 residence, and that obligates the owner to convey title
 21 to the individual upon completion of all of the
 22 individual's contract obligations;

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

27 (iv) is a residence described in section 17.9 of this
 28 chapter ~~(before its expiration)~~ that is owned by a trust
 29 if the individual is an individual described in section
 30 17.9 of this chapter; ~~(before its expiration)~~; and

31 (C) that consists of a dwelling and includes up to one (1)
 32 acre of land immediately surrounding that dwelling, and any
 33 of the following improvements:

34 (i) Any number of decks, patios, gazebos, or pools.

35 (ii) One (1) additional building that is not part of the
 36 dwelling if the building is predominantly used for a
 37 residential purpose and is not used as an investment
 38 property or as a rental property.

39 (iii) One (1) additional residential yard structure other
 40 than a deck, patio, gazebo, or pool.

41 Except as provided in subsection (r), the term does not include

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1 property owned by a corporation, partnership, limited liability
2 company, or other entity not described in this subdivision.

3 **(3) "Principal place of residence" means an individual's true,**
4 **fixed, permanent home to which the individual has the**
5 **intention of returning after an absence.**

6 (b) Each year a homestead is eligible for a standard deduction
7 from the assessed value of the homestead for an assessment date.
8 Except as provided in subsection (n), the deduction provided by this
9 section applies to property taxes first due and payable for an
10 assessment date only if an individual has an interest in the homestead
11 described in subsection (a)(2)(B) on:

12 (1) the assessment date; or

13 (2) any date in the same year after an assessment date that
14 a statement is filed under subsection (e) or section 44 of this
15 chapter, if the property consists of real property.

16 If more than one (1) individual or entity qualifies property as a
17 homestead under subsection (a)(2)(B) for an assessment date, only one
18 (1) standard deduction from the assessed value of the homestead may
19 be applied for the assessment date. Subject to subsection (c), the
20 auditor of the county shall record and make the deduction for the
21 individual or entity qualifying for the deduction.

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

25 (1) for assessment dates before January 1, 2025, the lesser of:

26 (A) sixty percent (60%) of the assessed value of the real
27 property, mobile home not assessed as real property, or
28 manufactured home not assessed as real property; or

29 (B) forty-eight thousand dollars (\$48,000); or

30 (2) for assessment dates after December 31, 2024:

31 (A) in 2025, forty-eight thousand dollars (\$48,000);

32 (B) in 2026, forty thousand dollars (\$40,000);

33 (C) in 2027, thirty thousand dollars (\$30,000);

34 (D) in 2028, twenty thousand dollars (\$20,000); and

35 (E) in 2029, ten thousand dollars (\$10,000).

36 Beginning with the 2030 assessment date, and each assessment date
37 thereafter, the deduction amount under this section is zero (0).
38 Application of the phase down under this section for assessment dates
39 after December 31, 2024, with regard to mobile homes that are not
40 assessed as real property and manufactured homes not assessed as real
41 property shall be construed and applied in the same manner in terms of
42 timing and consistent with its application for real property.



1 (d) A person who has sold real property, a mobile home not
 2 assessed as real property, or a manufactured home not assessed as real
 3 property to another person under a contract that provides that the
 4 contract buyer is to pay the property taxes on the real property, mobile
 5 home, or manufactured home may not claim the deduction provided
 6 under this section with respect to that real property, mobile home, or
 7 manufactured home.

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

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

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

20 (3) the names of:

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

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

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

28 if the applicant is an individual; or

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

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

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

38 if the applicant is not an individual; and

39 (4) either:

40 (A) the last five (5) digits of the applicant's Social Security
 41 number and the last five (5) digits of the Social Security

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

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

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

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

13 (iv) If the individual does not have a driver's license, a
 14 state identification card, or an Internal Revenue
 15 Service preparer tax identification number, the last five
 16 (5) digits of a control number that is on a document
 17 issued to the individual by the United States
 18 government.

19 If a form or statement provided to the county auditor under this section,
 20 IC 6-1.1-22-8.1, or IC 6-1.1-22.5-12 includes the telephone number or
 21 part or all of the Social Security number of a party or other number
 22 described in subdivision (4)(B) of a party, the telephone number and
 23 the Social Security number or other number described in subdivision
 24 (4)(B) included are confidential. The statement may be filed in person
 25 or by mail. If the statement is mailed, the mailing must be postmarked
 26 on or before the last day for filing. The statement applies for that first
 27 year and any succeeding year for which the deduction is allowed.

28 (f) To obtain the deduction for a desired calendar year under this
 29 section in which property taxes are first due and payable, the individual
 30 desiring to claim the deduction must do the following as applicable:

31 (1) Complete, date, and file the certified statement described in
 32 subsection (e) on or before January 15 of the calendar year in
 33 which the property taxes are first due and payable.

34 (2) Satisfy any recording requirements on or before January 15
 35 of the calendar year in which the property taxes are first due and
 36 payable for a homestead described in subsection (a)(2).

37 (g) Except as provided in subsection (l), if a person who is
 38 receiving, or seeks to receive, the deduction provided by this section in
 39 the person's name:

40 (1) changes the use of the individual's property so that part or all
 41 of the property no longer qualifies for the deduction under this

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1 section; or
 2 (2) is not eligible for a deduction under this section because the
 3 person is already receiving:
 4 (A) a deduction under this section in the person's name as
 5 an individual or a spouse; or
 6 (B) a deduction under the law of another state that is
 7 equivalent to the deduction provided by this section;
 8 the person must file a certified statement with the auditor of the county,
 9 notifying the auditor of the person's ineligibility, not more than sixty
 10 (60) days after the date of the change in eligibility. A person who fails
 11 to file the statement required by this subsection may, under
 12 IC 6-1.1-36-17, be liable for any additional taxes that would have been
 13 due on the property if the person had filed the statement as required by
 14 this subsection plus a civil penalty equal to ten percent (10%) of the
 15 additional taxes due. The civil penalty imposed under this subsection
 16 is in addition to any interest and penalties for a delinquent payment that
 17 might otherwise be due. One percent (1%) of the total civil penalty
 18 collected under this subsection shall be transferred by the county to the
 19 department of local government finance for use by the department in
 20 establishing and maintaining the homestead property data base under
 21 subsection (j) and, to the extent there is money remaining, for any other
 22 purposes of the department. This amount becomes part of the property
 23 tax liability for purposes of this article.
 24 (h) The department of local government finance may adopt rules
 25 or guidelines concerning the application for a deduction under this
 26 section.
 27 (i) This subsection does not apply to property in the first year for
 28 which a deduction is claimed under this section if the sole reason that
 29 a deduction is claimed on other property is that the individual or
 30 married couple maintained a principal residence at the other property
 31 on the assessment date in the same year in which an application for a
 32 deduction is filed under this section or, if the application is for a
 33 homestead that is assessed as personal property, on the assessment date
 34 in the immediately preceding year and the individual or married couple
 35 is moving the individual's or married couple's principal residence to the
 36 property that is the subject of the application. Except as provided in
 37 subsection (l), the county auditor may not grant an individual or a
 38 married couple a deduction under this section if:
 39 (1) the individual or married couple, for the same year, claims
 40 the deduction on two (2) or more different applications for the
 41 deduction; and

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1 (2) the applications claim the deduction for different property.
 2 (j) The department of local government finance shall provide
 3 secure access to county auditors to a homestead property data base that
 4 includes access to the homestead owner's name and the numbers
 5 required from the homestead owner under subsection (e)(4) for the sole
 6 purpose of verifying whether an owner is wrongly claiming a deduction
 7 under this chapter or a credit under IC 6-1.1-20.4, IC 6-1.1-20.6, or
 8 IC 6-3.6-5 (before its expiration). Each county auditor shall submit data
 9 on deductions applicable to the current tax year on or before March 15
 10 of each year in a manner prescribed by the department of local
 11 government finance.

12 (k) A county auditor may require an individual to provide evidence
 13 proving that the individual's residence is the individual's principal place
 14 of residence as claimed in the certified statement filed under subsection
 15 (e). The county auditor may limit the evidence that an individual is
 16 required to submit to a state income tax return, a valid driver's license,
 17 or a valid voter registration card showing that the residence for which
 18 the deduction is claimed is the individual's principal place of residence.
 19 The county auditor may not deny an application filed under section 44
 20 of this chapter because the applicant does not have a valid driver's
 21 license or state identification card with the address of the homestead
 22 property. The department of local government finance shall work with
 23 county auditors to develop procedures to determine whether a property
 24 owner that is claiming a standard deduction or homestead credit is not
 25 eligible for the standard deduction or homestead credit because the
 26 property owner's principal place of residence is outside Indiana.

27 (l) A county auditor shall grant an individual a deduction under
 28 this section regardless of whether the individual and the individual's
 29 spouse claim a deduction on two (2) different applications and each
 30 application claims a deduction for different property if the property
 31 owned by the individual's spouse is located outside Indiana and the
 32 individual files an affidavit with the county auditor containing the
 33 following information:

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

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

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

41 (B) That neither the individual nor the individual's spouse

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1 has an ownership interest in the other's principal place of
2 residence.

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

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

15 (m) If:

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

19 (2) the county auditor receiving the filed statement determines
20 that the property owner's property is not eligible for the
21 deduction;

22 the county auditor shall inform the property owner of the county
23 auditor's determination in writing. If a property owner's property is not
24 eligible for the deduction because the county auditor has determined
25 that the property is not the property owner's principal place of
26 residence, the property owner may appeal the county auditor's
27 determination as provided in IC 6-1.1-15. The county auditor shall
28 inform the property owner of the owner's right to appeal when the
29 county auditor informs the property owner of the county auditor's
30 determination under this subsection.

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

33 (1) either:

34 (A) the individual's interest in the homestead as described
35 in subsection (a)(2)(B) is conveyed to the individual after
36 the assessment date, but within the calendar year in which
37 the assessment date occurs; or

38 (B) the individual contracts to purchase the homestead after
39 the assessment date, but within the calendar year in which
40 the assessment date occurs;

41 (2) on the assessment date:

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

12 An individual who satisfies the requirements of subdivisions (1)

13 through (3) is entitled to the deduction under this section for the

14 homestead for the assessment date, even if on the assessment date the

15 property on which the homestead is currently located was vacant land

16 or the construction of the dwelling that constitutes the homestead was

17 not completed. The county auditor shall apply the deduction for the

18 assessment date and for the assessment date in any later year in which

19 the homestead remains eligible for the deduction. A homestead that

20 qualifies for the deduction under this section as provided in this

21 subsection is considered a homestead for purposes of section 37.5 of

22 this chapter and IC 6-1.1-20.6.

23 (o) This subsection applies to an application for the deduction

24 provided by this section that is filed for an assessment date occurring

25 after December 31, 2013. Notwithstanding any other provision of this

26 section, an individual buying a mobile home that is not assessed as real

27 property or a manufactured home that is not assessed as real property

28 under a contract providing that the individual is to pay the property

29 taxes on the mobile home or manufactured home is not entitled to the

30 deduction provided by this section unless the parties to the contract

31 comply with IC 9-17-6-17.

32 (p) This subsection:

33 (1) applies to an application for the deduction provided by this

34 section that is filed for an assessment date occurring after

35 December 31, 2013; and

36 (2) does not apply to an individual described in subsection (o).

37 The owner of a mobile home that is not assessed as real property or a

38 manufactured home that is not assessed as real property must attach a

39 copy of the owner's title to the mobile home or manufactured home to

40 the application for the deduction provided by this section.

41 (q) For assessment dates after 2013, the term "homestead"

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- 1 includes property that is owned by an individual who:
- 2 (1) is serving on active duty in any branch of the armed forces of
- 3 the United States;
- 4 (2) was ordered to transfer to a location outside Indiana; and
- 5 (3) was otherwise eligible, without regard to this subsection, for
- 6 the deduction under this section for the property for the
- 7 assessment date immediately preceding the transfer date
- 8 specified in the order described in subdivision (2).
- 9 For property to qualify under this subsection for the deduction provided
- 10 by this section, the individual described in subdivisions (1) through (3)
- 11 must submit to the county auditor a copy of the individual's transfer
- 12 orders or other information sufficient to show that the individual was
- 13 ordered to transfer to a location outside Indiana. The property continues
- 14 to qualify for the deduction provided by this section until the individual
- 15 ceases to be on active duty, the property is sold, or the individual's
- 16 ownership interest is otherwise terminated, whichever occurs first.
- 17 Notwithstanding subsection (a)(2), the property remains a homestead
- 18 regardless of whether the property continues to be the individual's
- 19 principal place of residence after the individual transfers to a location
- 20 outside Indiana. The property continues to qualify as a homestead
- 21 under this subsection if the property is leased while the individual is
- 22 away from Indiana and is serving on active duty, if the individual has
- 23 lived at the property at any time during the past ten (10) years.
- 24 Otherwise, the property ceases to qualify as a homestead under this
- 25 subsection if the property is leased while the individual is away from
- 26 Indiana. Property that qualifies as a homestead under this subsection
- 27 shall also be construed as a homestead for purposes of section 37.5 of
- 28 this chapter.
- 29 (r) As used in this section, "homestead" includes property that
- 30 satisfies each of the following requirements:
- 31 (1) The property is located in Indiana and consists of a dwelling
- 32 and includes up to one (1) acre of land immediately surrounding
- 33 that dwelling, and any of the following improvements:
- 34 (A) Any number of decks, patios, gazebos, or pools.
- 35 (B) One (1) additional building that is not part of the
- 36 dwelling if the building is predominately used for a
- 37 residential purpose and is not used as an investment
- 38 property or as a rental property.
- 39 (C) One (1) additional residential yard structure other than
- 40 a deck, patio, gazebo, or pool.
- 41 (2) The property is the principal place of residence of an

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- 1 individual.
- 2 (3) The property is owned by an entity that is not described in
3 subsection (a)(2)(B).
- 4 (4) The individual residing on the property is a shareholder,
5 partner, or member of the entity that owns the property.
- 6 (5) The property was eligible for the standard deduction under
7 this section on March 1, 2009.
- 8 SECTION 34. IC 6-1.1-12-43, AS AMENDED BY P.L.230-2025,
9 SECTION 37, AND AS AMENDED BY P.L.186-2025, SECTION
10 292, AND AS AMENDED BY THE TECHNICAL CORRECTIONS
11 BILL OF THE 2026 GENERAL ASSEMBLY, IS CORRECTED AND
12 AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1,
13 2026 (RETROACTIVE)]: Sec. 43. (a) For purposes of this section:
14 (1) "benefit" refers to a deduction under section 9 (before its
15 expiration), 11 (before its expiration), 13 (*before its expiration*),
16 14, (~~*before its expiration*~~), 16 (before its expiration), 17.4
17 (before its expiration), 26 (before its expiration), 29 (before its
18 expiration), 33 (before its expiration), 34 (before its expiration),
19 37, or 37.5 of this chapter;
20 (2) "closing agent" means a person that closes a transaction;
21 (3) "customer" means an individual who obtains a loan in a
22 transaction; and
23 (4) "transaction" means a single family residential:
24 (A) first lien purchase money mortgage transaction; or
25 (B) refinancing transaction.
- 26 (b) Before closing a transaction after December 31, 2004, a
27 closing agent must provide to the customer the form referred to in
28 subsection (c).
- 29 (c) ~~Before June 1, 2004~~, The department of local government
30 finance shall prescribe the form to be provided by closing agents to
31 customers under subsection (b). The department shall make the form
32 available to closing agents, county assessors, county auditors, and
33 county treasurers in hard copy and electronic form. County assessors,
34 county auditors, and county treasurers shall make the form available to
35 the general public. The form must:
36 (1) on one (1) side:
37 (A) list each benefit; and
38 (B) list the eligibility criteria for each benefit;
39 (2) on the other side indicate:
40 (A) each action by and each type of documentation from the
41 customer required to file for each benefit; and

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

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

5 *(2) shall be paid into:*

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

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

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

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

16 *(2) with respect to a transaction that is closed after December*
 17 *31, 2009; the closing agent's failure to input the information or*
 18 *submit the form described in subsection (e).*

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

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

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

24 SECTION 35. IC 6-1.1-12-46, AS AMENDED BY P.L.230-2025,
 25 SECTION 38, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 26 JANUARY 1, 2026 (RETROACTIVE)]: Sec. 46. (a) This section
 27 applies to real property for an assessment date in 2011 or a later year
 28 if:

29 (1) the real property is not exempt from property taxation for the
 30 assessment date;

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

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

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

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

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- 1 following:
- 2 (1) IC 6-1.1-12-1 (before its repeal).
- 3 (2) IC 6-1.1-12-9 (before its expiration).
- 4 (3) IC 6-1.1-12-11 (before its expiration).
- 5 (4) IC 6-1.1-12-13 (**before its expiration**).
- 6 (5) IC 6-1.1-12-14.
- 7 (6) IC 6-1.1-12-16 (before its expiration).
- 8 (7) IC 6-1.1-12-17.4 (before its expiration).
- 9 (8) IC 6-1.1-12-18 (before its expiration).
- 10 (9) IC 6-1.1-12-22 (before its expiration).
- 11 (10) IC 6-1.1-12-37.
- 12 (11) IC 6-1.1-12-37.5.
- 13 (c) For the payment date applicable to the assessment date referred
- 14 to in subsection (a)(1), real property is eligible for the credit for
- 15 excessive residential property taxes under IC 6-1.1-20.6 for which the
- 16 transferor under subsection (a)(2) would be eligible for that payment
- 17 date if the transfer had not occurred.
- 18 SECTION 36. IC 6-1.1-12.6-2, AS ADDED BY P.L.70-2008,
- 19 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 20 JANUARY 1, 2026 (RETROACTIVE)]: Sec. 2. (a) This section
- 21 applies only to a model residence that is first assessed as:
- 22 (1) a partially completed structure; or
- 23 (2) a fully completed structure;
- 24 for the assessment date in 2009 or a later year.
- 25 (b) Except as provided in subsection (c) and sections 4, 5, and 6
- 26 of this chapter, and subject to sections 7 and 8 of this chapter, an owner
- 27 of a model residence is entitled to a deduction from the assessed value
- 28 of the model residence in the amount of ~~fifty~~ **seventy-five** percent
- 29 (~~50%~~) (**75%**) of the assessed value of the model residence for the
- 30 following:
- 31 (1) Not more than one (1) assessment date for which the model
- 32 residence is assessed as a partially completed structure.
- 33 (2) The assessment date for which the model residence is first
- 34 assessed as a fully completed structure.
- 35 (3) The two (2) assessment dates that immediately succeed the
- 36 assessment date referred to in subdivision (2).
- 37 (c) A deduction allowed for a model residence under this chapter
- 38 for a particular assessment date is terminated if the model residence is
- 39 sold:
- 40 (1) after the assessment date of that year but before January 1 of
- 41 the following year; and

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1 (2) to a person who does not continue to use the real property as
2 a model residence.

3 The county auditor shall immediately mail notice of the termination to
4 the former owner, the property owner, and the township assessor. The
5 county auditor shall remove the deduction from the tax duplicate and
6 shall notify the county treasurer of the termination of the deduction.

7 SECTION 37. IC 6-1.1-12.6-4, AS ADDED BY P.L.70-2008,
8 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
9 JANUARY 1, 2026 (RETROACTIVE)]: Sec. 4. (a) Subject to section
10 8 of this chapter, a property owner is entitled to a deduction under this
11 chapter for an assessment date for not more than ~~three (3)~~ **seven (7)**
12 model residences in Indiana.

13 (b) The auditor of a county (referred to in this section as the "first
14 county") with whom a statement is filed under section 3 of this chapter
15 shall immediately prepare and transmit a copy of the statement to the
16 auditor of any other county (referred to in this section as the "second
17 county") if the property owner that claims the deduction owns or is
18 buying a model residence located in the second county.

19 (c) The county auditor of the second county shall note on the copy
20 of the statement whether the property owner has claimed a deduction
21 for the current year under section 3 of this chapter for a model
22 residence located in the second county. The county auditor shall then
23 return the copy of the statement to the auditor of the first county.

24 SECTION 38. IC 6-1.1-12.6-8, AS ADDED BY P.L.70-2008,
25 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
26 JANUARY 1, 2026 (RETROACTIVE)]: Sec. 8. The aggregate number
27 of deductions claimed under this chapter for a particular assessment
28 date by the owners of model residences who are a part of an affiliated
29 group may not exceed ~~three (3)~~ **seven (7)**.

30 SECTION 39. IC 6-1.1-12.8-3, AS ADDED BY P.L.175-2011,
31 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
32 JANUARY 1, 2026 (RETROACTIVE)]: Sec. 3. (a) This chapter
33 applies only to a residence in inventory that is first assessed as:

- 34 (1) a partially completed structure; or
35 (2) a fully completed structure;
36 for the assessment date in 2012 or a later year.

37 (b) Except as provided in subsections (c) and (d) and sections 5
38 and 6 of this chapter, and subject to section 7 of this chapter, a
39 residential builder that is the owner of a residence in inventory is
40 entitled to a deduction from the assessed value of the residence in
41 inventory in the amount of ~~fifty~~ **seventy-five** percent (~~50%~~) (**75%**) of

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- 1 the assessed value of the residence in inventory for the following:
- 2 (1) Not more than one (1) assessment date for which the
- 3 residence in inventory is assessed as a partially completed
- 4 structure.
- 5 (2) The assessment date for which the residence in inventory is
- 6 first assessed as a fully completed structure.
- 7 (3) The two (2) assessment dates that immediately succeed the
- 8 assessment date referred to in subdivision (2).
- 9 (c) A deduction allowed for a residence in inventory under this
- 10 chapter for a particular assessment date is terminated if title to the
- 11 residence in inventory is transferred:
- 12 (1) after the assessment date of that year but before January 1 of
- 13 the following year; and
- 14 (2) to a person for whom the real property does not qualify as a
- 15 residence in inventory.
- 16 The county auditor shall immediately mail notice of the termination to
- 17 the former owner, the property owner, and the township assessor (or the
- 18 county assessor if there is no township assessor for the township). The
- 19 county auditor shall remove the deduction from the tax duplicate and
- 20 shall notify the county treasurer of the termination of the deduction.
- 21 (d) A deduction for a residence in inventory under this chapter
- 22 does not apply for a particular assessment date if the residence in
- 23 inventory is leased for any purpose for any part of the calendar year in
- 24 which the assessment date occurs.
- 25 SECTION 40. IC 6-1.1-12.8-4, AS AMENDED BY P.L.136-2024,
- 26 SECTION 19, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 27 JANUARY 1, 2026 (RETROACTIVE)]: Sec. 4. (a) A property owner
- 28 that qualifies for the deduction under this chapter and that desires to
- 29 receive the deduction for a calendar year must complete and date a
- 30 statement containing the information required by subsection (b) and
- 31 file the statement with the county auditor on or before January 15 of the
- 32 immediately succeeding calendar year. The township assessor, or the
- 33 county assessor if there is no township assessor for the township, shall
- 34 verify each statement filed under this section, and the county auditor
- 35 shall:
- 36 (1) make the deductions; and
- 37 (2) notify the county property tax assessment board of appeals of
- 38 all deductions approved;
- 39 under this section.
- 40 (b) The statement referred to in subsection (a) must be verified
- 41 under penalties for perjury and must contain the following information:

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- 1 (1) The assessed value of the real property for which the person
2 is claiming the deduction.
- 3 (2) The full name and complete business address of the person
4 claiming the deduction.
- 5 (3) The complete address and a brief description of the real
6 property for which the person is claiming the deduction.
- 7 (4) The name of any other county in which the person has
8 applied for a deduction under this chapter for that assessment
9 date.
- 10 (5) The complete address and a brief description of any other
11 real property for which the person has applied for a deduction
12 under this chapter for that assessment date.
- 13 (6) An affirmation by the owner that the owner is receiving not
14 more than ~~three (3)~~ **seven (7)** deductions under this chapter,
15 including the deduction being applied for by the owner, either:
16 (A) as the owner of the residence in inventory; or
17 (B) as an owner that is part of an affiliated group.
- 18 (7) An affirmation that the real property has not been leased and
19 will not be leased for any purpose during the term of the
20 deduction.

21 SECTION 41. IC 6-1.1-12.8-9, AS ADDED BY P.L.175-2011,
22 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
23 JANUARY 1, 2026 (RETROACTIVE)]: Sec. 9. (a) Subject to section
24 10 of this chapter, a property owner is entitled to a deduction under this
25 chapter for an assessment date for not more than ~~three (3)~~ **seven (7)**
26 residences in inventory in Indiana.

27 (b) The auditor of a county (referred to in this section as the "first
28 county") with whom a statement is filed under section 4 of this chapter
29 shall immediately prepare and transmit a copy of the statement to the
30 auditor of any other county (referred to in this section as the "second
31 county") if the property owner that claims the deduction owns or is
32 buying a residence in inventory located in the second county.

33 (c) The county auditor of the second county shall note on the copy
34 of the statement whether the property owner has claimed a deduction
35 for the current year under section 4 of this chapter for a residence in
36 inventory located in the second county. The county auditor shall then
37 return the copy of the statement to the auditor of the first county.

38 SECTION 42. IC 6-1.1-12.8-10, AS ADDED BY P.L.175-2011,
39 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
40 JANUARY 1, 2026 (RETROACTIVE)]: Sec. 10. The aggregate
41 number of deductions claimed under this chapter for a particular

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1 assessment date by the owners of residences in inventory who are a part
2 of an affiliated group may not exceed ~~three (3)~~ **seven (7)**.

3 SECTION 43. IC 6-1.1-17-1, AS AMENDED BY P.L.230-2025,
4 SECTION 41, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
5 JANUARY 1, 2026 (RETROACTIVE)]: Sec. 1. (a) On or before
6 August 1 of each year, the county auditor shall submit a certified
7 statement of the assessed value for the ensuing year to the department
8 of local government finance in the manner prescribed by the
9 department.

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

12 (c) Subject to subsection (d), after the county auditor submits a
13 certified statement under subsection (a) or an amended certified
14 statement under this subsection with respect to a political subdivision
15 and before the department of local government finance certifies its
16 action with respect to the political subdivision under section 16(i) of
17 this chapter, the county auditor may amend the information concerning
18 assessed valuation included in the earlier certified statement. The
19 county auditor shall, in a manner prescribed by the department, submit
20 a certified statement amended under this subsection to the department
21 of local government finance by the later of:

22 (1) September 1;

23 (2) fifteen (15) days after the original certified statement is
24 submitted to the department under subsection (a); or

25 (3) fifteen (15) days after the department of local government
26 finance notifies the county auditor of an error in the original
27 certified statement submitted under subsection (a) that the
28 department determines must be corrected.

29 (d) Before the county auditor makes an amendment under
30 subsection (c), the county auditor must provide ~~an opportunity for~~
31 ~~public comment on the proposed amendment at a public hearing.~~ **The**
32 **county auditor must give notice of the hearing under IC 5-3-1. written**
33 **notice of the amendment to the county fiscal body, the department**
34 **of local government finance, and the fiscal officers of the affected**
35 **taxing units within the county.** If the county auditor makes the
36 amendment as a result of information provided to the county auditor by
37 an assessor, the county auditor shall **also** give notice of the **public**
38 **hearing amendment** to the assessor.

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

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

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

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

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

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

14 (f) If the county auditor fails to submit a certified statement of
 15 the assessed value for the ensuing year to the department of local
 16 government finance on or before August 1 in accordance with
 17 subsection (a), then the county auditor shall provide electronic
 18 notice by August 1 of the same calendar year to the county fiscal
 19 body, the department of local government finance, and each
 20 political subdivision in the county subject to section 16 of this
 21 chapter. The electronic notice must include a written statement
 22 acknowledging noncompliance and detail the reasons why the
 23 statutory deadline set forth in subsection (a) was not met.

24 (g) The department of local government finance shall, before
 25 February 2, 2027, and before February 2 of each year thereafter,
 26 submit a report of the counties that failed to meet the statutory
 27 deadline set forth in subsection (a) to the legislative services agency
 28 for distribution to the members of the legislative council. The
 29 report must be in an electronic format under IC 5-14-6.

30 SECTION 44. IC 6-1.1-17-5.4, AS AMENDED BY P.L.230-2025,
 31 SECTION 42, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 32 JULY 1, 2026]: Sec. 5.4. (a) Not later than March 2 of each year, the
 33 fiscal officer of a political subdivision shall submit a statement to the
 34 department of local government finance attesting that the political
 35 subdivision uploaded any contract entered into during the immediately
 36 preceding year:

37 (1) if the total cost of the contract to the political subdivision
 38 exceeds fifty thousand dollars (\$50,000) during the term of
 39 the contract as required by IC 5-14-3.8-3.5(c); and

40 (2) related to the provision of fire services or emergency medical
 41 services to the Indiana transparency website as required by
 42 IC 5-14-3.8-3.5(d).

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(b) The department of local government finance may not approve the budget of a political subdivision or a supplemental appropriation for a political subdivision until the political subdivision files the attestation under subsection (a).

SECTION 45. IC 6-1.1-18-28, AS AMENDED BY P.L.236-2023, SECTION 28, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 28. (a) **This section applies to a township if:**

(1) the township has previously submitted a petition, or petitions, under this section in any year after December 31, 2016;

(2) the sum of all adjustments determined under STEP THREE of subsection (c) for the petition or petitions described in subdivision (1) equals fifteen-hundredths (0.15); and

(3) the percentage growth in the township's assessed value for the preceding year compared to the year immediately before the preceding year is:

(A) at least equal to the maximum levy growth quotient determined under IC 6-1.1-18.5-2 for the preceding year multiplied by two (2); and

(B) not more than maximum levy growth quotient determined under IC 6-1.1-18.5-2 for the preceding year multiplied by four (4).

(b) The executive of a township may, upon approval by the township fiscal body, submit a petition to the department of local government finance for an increase in the township's maximum permissible ad valorem property tax levy for its township firefighting and emergency services fund under IC 36-8-13-4(a)(1) or the levies for the township firefighting fund and township emergency services fund described in IC 36-8-13-4(a)(2), as applicable, for property taxes for any year for which a petition is submitted under this section.

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

STEP ONE: Determine the percentage increase in the

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1 population, as determined by the township fiscal body and as
 2 may be prescribed by the department of local government
 3 finance, that is within the fire protection and emergency services
 4 area of the township during the ten (10) year period immediately
 5 preceding the year in which the petition is submitted under
 6 subsection ~~(a)~~: **(b)**. The township fiscal body may use the most
 7 recently available population data issued by the Bureau of the
 8 Census during the ten (10) year period immediately preceding
 9 the petition.
 10 STEP TWO: Determine the greater of zero (0) or the result of:
 11 (A) the STEP ONE percentage; minus
 12 (B) six percent (6%);
 13 expressed as a decimal.
 14 STEP THREE: Determine a rate that is the lesser of:
 15 (A) fifteen-hundredths (0.15); or
 16 (B) the STEP TWO result.
 17 STEP FOUR: Reduce the STEP THREE rate by any rate
 18 increase in the township's property tax rate or rates for its
 19 township firefighting and emergency services fund, township
 20 firefighting fund, or township emergency services fund, as
 21 applicable, within the immediately preceding ten (10) year
 22 period that was made based on a petition submitted by the
 23 township under this section.
 24 ~~(e)~~ **(d)** The township's maximum permissible ad valorem property
 25 tax levy for its township firefighting and emergency services fund
 26 under IC 36-8-13-4(a)(1) or the combined levies for the township
 27 firefighting fund and township emergency services fund described in
 28 IC 36-8-13-4(a)(2) for property taxes first due and payable in a given
 29 year, as adjusted under this section, shall be calculated as:
 30 (1) the amount of the ad valorem property tax levy increase for
 31 the township firefighting and emergency services fund under
 32 IC 36-8-13-4(a)(1) or the combined levies for the township
 33 firefighting fund and township emergency services fund
 34 described in IC 36-8-13-4(a)(2), as applicable, without regard to
 35 this section; plus
 36 (2) an amount equal to the result of:
 37 (A) the rate determined under the formula in subsection ~~(b)~~;
 38 **(c)**; multiplied by
 39 (B) the net assessed value of the fire protection and
 40 emergency services area divided by one hundred (100).
 41 The calculation under this subsection shall be used in the determination

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1 of the township's maximum permissible ad valorem property tax levy
2 under IC 36-8-13-4 for property taxes first due and payable in the first
3 year of the increase and thereafter.

4 **(e) Notwithstanding the rate limitation in STEP THREE of**
5 **subsection (c), a township may submit a petition under subsection**
6 **(b) to increase the township's maximum permissible ad valorem**
7 **property tax levy for its township firefighting and emergency**
8 **services fund under IC 36-8-13-4(a)(1) or the levies for the**
9 **township firefighting fund and township emergency services fund**
10 **described in IC 36-8-13-4(a)(2), as applicable, for property taxes**
11 **first due and payable in the immediately succeeding year as**
12 **determined under the formula under subsection (c), subject to the**
13 **following:**

14 **(1) The amount determined under subsection (c) may not**
15 **exceed the result of:**

- 16 **(A) the STEP TWO result in subsection (c); multiplied**
17 **by**
- 18 **(B) eight-tenths (0.8).**

19 **(2) The rate, as adjusted under this section and as certified**
20 **by the department of local government finance for the**
21 **township's maximum permissible ad valorem property tax**
22 **levy for:**

- 23 **(A) its township firefighting and emergency services**
24 **fund under IC 36-8-13-4(a)(1); or**
- 25 **(B) the levies for the township firefighting fund and**
26 **township emergency services fund described in**
27 **IC 36-8-13-4(a)(2);**

28 **as applicable, may not exceed a rate determined by the**
29 **formula under subsection (f).**

30 **(3) STEP FOUR of subsection (c) applies to any petition the**
31 **executive of the township subsequently submits after**
32 **submitting an initial petition after December 31, 2025, under**
33 **this section.**

34 **(f) The rate limitation described in subsection (e)(2) shall be**
35 **determined using the following formula:**

36 **STEP ONE: Determine the sum of:**

- 37 **(A) the rate certified by the department of local**
38 **government finance for the current year for the**
39 **township's:**
 - 40 **(i) township firefighting and emergency services**
41 **fund under IC 36-8-13-4(a)(1); or**
 - 42 **(ii) the levies for the township firefighting fund and**

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1 township emergency services fund described in
 2 IC 36-8-13-4(a)(2);
 3 as applicable; plus
 4 (B) the amount determined under STEP THREE of
 5 subsection (c).

6 **STEP TWO: Determine the lesser of:**
 7 (A) twenty-hundredths (0.20); or
 8 (B) the STEP ONE result.

9 SECTION 46. IC 6-1.1-18-29 IS REPEALED [EFFECTIVE JULY
 10 1, 2026]. See: 29: (a) The board of trustees of a fire protection district
 11 may, upon approval by the county legislative body, submit a petition to
 12 the department of local government finance for an increase in the fire
 13 protection district's maximum permissible ad valorem property tax levy
 14 for property taxes first due and payable in 2021 or for any year
 15 thereafter for which a petition is submitted under this section:

16 (b) If a petition is submitted as provided in subsection (a) before
 17 August 1, 2020, or April 1 of a year thereafter, the department of local
 18 government finance shall increase the fire protection district's
 19 maximum permissible ad valorem property tax levy for property taxes
 20 first due and payable in the immediately succeeding year by using the
 21 following formula for purposes of subsection (c)(2):

22 **STEP ONE:** Determine the percentage increase in the
 23 population, as determined by the county legislative body and as
 24 may be prescribed by the department of local government
 25 finance, that is within the fire protection district area during the
 26 ten (10) year period immediately preceding the year in which the
 27 petition is submitted under subsection (a). The county legislative
 28 body may use the most recently available population data issued
 29 by the Bureau of the Census during the ten (10) year period
 30 immediately preceding the petition.

31 **STEP TWO:** Determine the greater of zero (0) or the result of:
 32 (A) the STEP ONE percentage; minus
 33 (B) six percent (6%);
 34 expressed as a decimal:

35 **STEP THREE:** Determine a rate that is the lesser of:
 36 (A) fifteen-hundredths (0.15); or
 37 (B) the STEP TWO result.

38 **STEP FOUR:** Reduce the STEP THREE rate by any rate
 39 increase in the fire protection district's property tax rate within
 40 the immediately preceding ten (10) year period that was made
 41 based on a petition submitted by the fire protection district under
 42 this section.

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1 (c) The fire protection district's maximum permissible ad valorem
 2 property tax levy for property taxes first due and payable in a given
 3 year, as adjusted under this section, shall be calculated as:

4 (1) the amount of the ad valorem property tax levy increase for
 5 the fire protection district without regard to this section; plus

6 (2) an amount equal to the result of:

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

9 (B) the net assessed value of the fire protection district area
 10 divided by one hundred (100):

11 The calculation under this subsection shall be used in the determination
 12 of the fire protection district's maximum permissible ad valorem
 13 property tax levy for property taxes first due and payable in the first
 14 year of the increase and thereafter.

15 SECTION 47. IC 6-1.1-18-29.5 IS REPEALED [EFFECTIVE
 16 JULY 1, 2026]. Sec. 29.5: (a) The executive of a unit serving as the
 17 provider unit of a fire protection territory may, upon approval by the
 18 provider unit's fiscal body, submit a petition to the department of local
 19 government finance for an increase in the fire protection territory's
 20 maximum permissible ad valorem property tax levy for its fire
 21 protection territory fund under IC 36-8-19-8 for property taxes first due
 22 and payable in 2023 or for any year thereafter for which a petition is
 23 submitted under this section:

24 (b) If a petition is submitted as provided in subsection (a) before
 25 August 1, 2022, or April 1 of a year thereafter, the department of local
 26 government finance shall increase the fire protection territory's
 27 maximum permissible ad valorem property tax levy for the fire
 28 protection territory fund under IC 36-8-19-8 for property taxes first due
 29 and payable in the immediately succeeding year by using the following
 30 formula for purposes of subsection (c)(2):

31 STEP ONE: Determine the percentage increase in the
 32 population, as determined by the provider unit's fiscal body and
 33 as may be prescribed by the department of local government
 34 finance, that is within the fire protection territory area during the
 35 ten (10) year period immediately preceding the year in which the
 36 petition is submitted under subsection (a). The provider unit's
 37 fiscal body may use the most recently available population data
 38 issued by the Bureau of the Census during the ten (10) year
 39 period immediately preceding the petition.

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

41 (A) the STEP ONE percentage; minus

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- 1 (B) six percent (6%);
 2 expressed as a decimal.
 3 STEP THREE: Determine a rate that is the lesser of:
 4 (A) fifteen-hundredths (0.15); or
 5 (B) the STEP TWO result.
 6 STEP FOUR: Reduce the STEP THREE rate by any rate
 7 increase in the fire protection territory's property tax rate for its
 8 fire protection territory fund within the immediately preceding
 9 ten (10) year period that was made based on a petition submitted
 10 by the fire protection territory under this section.
 11 (c) The fire protection territory's maximum permissible ad valorem
 12 property tax levy for its fire protection territory fund under
 13 IC 36-8-19-8 for property taxes first due and payable in a given year;
 14 as adjusted under this section; shall be calculated as:
 15 (1) the amount of the ad valorem property tax levy increase for
 16 the fire protection territory fund without regard to this section;
 17 plus
 18 (2) an amount equal to the result of:
 19 (A) the rate determined under the formula in subsection (b);
 20 multiplied by
 21 (B) the net assessed value of the fire protection territory
 22 area divided by one hundred (100).
 23 The calculation under this subsection shall be used in the determination
 24 of the fire protection territory's maximum permissible ad valorem
 25 property tax levy under IC 36-8-19-8 for property taxes first due and
 26 payable in the first year of the increase and thereafter.
 27 SECTION 48. IC 6-1.1-18.5-7, AS AMENDED BY P.L.159-2020,
 28 SECTION 32, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 29 UPON PASSAGE]: Sec. 7. (a) A civil taxing unit is not subject to the
 30 levy limits imposed by section 3 of this chapter for an ensuing calendar
 31 year if the civil taxing unit did not adopt an ad valorem property tax
 32 levy for the immediately preceding calendar year. **exist as of January**
 33 **1 in the calendar year that immediately precedes the ensuing**
 34 **calendar year.**
 35 (b) If under subsection (a) a civil taxing unit is not subject to the
 36 levy limits imposed under section 3 of this chapter for an ensuing
 37 calendar year, the civil taxing unit shall, ~~before June 30 of~~ **in** the
 38 immediately preceding year, ~~refer its proposed~~ **adopt its** budget, ad
 39 valorem property tax levy, and property tax rate for the ensuing
 40 calendar year ~~to~~ **and file the adopted budget, ad valorem property**
 41 **tax levy, and property tax rate with** the department of local

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1 government finance **as required by IC 6-1.1-17-5**. The department of
 2 local government finance shall ~~make a final determination of review~~
 3 the civil taxing unit's budget, ad valorem property tax levy, and
 4 property tax rate for the ensuing calendar year **to ensure the adopted**
 5 **budget is fundable based on the civil taxing unit's adopted tax levy**
 6 **and estimates of available revenues. If the adopted budget is**
 7 **fundable, the department of local government finance shall certify**
 8 **the adopted ad valorem property tax levy for the ensuing calendar**
 9 **year.** However, a civil taxing unit may not impose a property tax levy
 10 for an ensuing calendar year if the unit did not exist as of January 1 of
 11 the immediately preceding year.

12 (c) This subsection does not apply to an ad valorem property tax
 13 levy imposed by a civil taxing unit for fire protection services within
 14 a fire protection territory under IC 36-8-19. In determining a budget, ad
 15 valorem property tax levy, and property tax rate under subsection (b),
 16 the department shall consider the effect of a property tax levy on a local
 17 income tax distribution to the civil taxing unit under IC 6-3.6-6.

18 SECTION 49. IC 6-1.1-18.5-9.8, AS AMENDED BY
 19 P.L.184-2016, SECTION 15, IS AMENDED TO READ AS
 20 FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 9.8. (a) For purposes
 21 of determining the property tax levy limit imposed on a city, town, or
 22 county under section 3 of this chapter, the city, town, or county's ad
 23 valorem property tax levy for a particular calendar year does not
 24 include an amount equal to the amount of ad valorem property taxes
 25 that would be first due and payable to the city, town, or county during
 26 the ensuing calendar year if the taxing unit imposed ~~the maximum~~
 27 ~~permissible a certified~~ property tax rate per one hundred dollars (\$100)
 28 of assessed valuation that the civil taxing unit may impose for the
 29 particular calendar year under the authority of IC 36-9-14.5 (in the case
 30 of a county) or IC 36-9-15.5 (in the case of a city or town).

31 (b) Before July 15 of each year, the department of local
 32 government finance shall provide to each county, city, and town an
 33 estimate of the maximum permissible property tax rate per one hundred
 34 dollars (\$100) of assessed valuation that the county, city, or town may
 35 impose for the ensuing year under IC 36-9-14.5 (in the case of a
 36 county) or IC 36-9-15.5 (in the case of a city or town).

37 SECTION 50. IC 6-1.1-18.5-33 IS ADDED TO THE INDIANA
 38 CODE AS A NEW SECTION TO READ AS FOLLOWS
 39 [EFFECTIVE UPON PASSAGE]: **Sec. 33. (a) This section applies**
 40 **only to Miami Township in Cass County.**

41 (b) **Subject to subsection (c), the executive of a township**

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1 described in subsection (a) may, after approval by the fiscal body
2 of the township, and before August 1, 2026, submit a petition to the
3 department of local government finance requesting an increase in
4 the township's maximum permissible ad valorem property tax levy
5 for property taxes first due and payable in 2027.

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

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

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

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

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

23 (d) If the executive of the township submits a petition under
24 subsection (b), the department of local government finance shall
25 increase the maximum permissible ad valorem property tax levy
26 for property taxes first due and payable in 2027 by twelve
27 thousand one hundred sixty-seven dollars (\$12,167).

28 (e) The township's maximum permissible ad valorem property
29 tax levy for property taxes first due and payable in 2027, as
30 adjusted under this section, shall be used in the determination of
31 the township's maximum permissible ad valorem property tax levy
32 under IC 6-1.1-18.5 for property taxes first due and payable in
33 2028 and thereafter.

34 (f) This section expires June 30, 2029.

35 SECTION 51. IC 6-1.1-20.6-2.4, AS ADDED BY P.L.146-2008,
36 SECTION 217, IS AMENDED TO READ AS FOLLOWS
37 [EFFECTIVE UPON PASSAGE]: Sec. 2.4. As used in this chapter,

38 (1) "manufactured home" has the meaning set forth in
39 ~~IC 22-12-1-16~~; and IC 9-13-2-96(a). The term includes a
40 mobile home (as defined in IC 9-13-2-103.2).

41 (2) "mobile home" has the meaning set forth in ~~IC 16-41-27-4~~.
42 SECTION 52. IC 6-1.1-20.6-3, AS AMENDED BY P.L.68-2025,

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1 SECTION 73, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
2 JANUARY 1, 2026 (RETROACTIVE)]: Sec. 3. As used in this
3 chapter, "property tax liability" means, for purposes of:

4 (1) this chapter, other than section 7.7 or 8.5 of this chapter,
5 liability for the tax imposed on property under this article
6 determined after application of all credits and deductions under
7 this article or IC 6-3.6, except the credit granted by section 7 or
8 7.5 of this chapter, but does not include any interest or penalty
9 imposed under this article;

10 (2) section 8.5 of this chapter, liability for the tax imposed on
11 property under this article determined after application of all
12 credits and deductions under this article or IC 6-3.6, including
13 the credits granted by sections 7, 7.5, and 7.7 of this chapter, but
14 not including the credit granted under section 8.5 of this chapter
15 or any interest or penalty imposed under this article; and

16 (3) section 7.7 of this chapter, liability for the tax imposed on
17 property under this article determined after application of all
18 credits and deductions under this article or IC 6-3.6, including
19 the credit granted by section 7 or 7.5 of this chapter, but not
20 including **the credit granted under IC 6-3.6-6-3.1**, the credits
21 granted under section 7.7 or 8.5 of this chapter or any interest or
22 penalty imposed under this article.

23 SECTION 53. IC 6-1.1-20.6-9.5, AS AMENDED BY
24 P.L.272-2019, SECTION 2, IS AMENDED TO READ AS FOLLOWS
25 [EFFECTIVE JANUARY 1, 2025 (RETROACTIVE)]: Sec. 9.5. (a)
26 This section applies only to credits under this chapter against property
27 taxes first due and payable after December 31, 2006.

28 (b) The application of the credit under this chapter, **IC 6-1.1-49,**
29 **or IC 6-1.1-51.3** results in a reduction of the property tax collections
30 of each political subdivision in which the credit is applied. Except as
31 provided in IC 20-46-1 and IC 20-46-9, a political subdivision may not
32 increase its property tax levy to make up for that reduction.

33 (c) A political subdivision may not borrow money to compensate
34 the political subdivision or any other political subdivision for the
35 reduction of property tax collections referred to in subsection (b).

36 SECTION 54. IC 6-1.1-20.6-9.8, AS AMENDED BY P.L.9-2024,
37 SECTION 171, IS AMENDED TO READ AS FOLLOWS
38 [EFFECTIVE JANUARY 1, 2026 (RETROACTIVE)]: Sec. 9.8. (a)
39 This section applies to property taxes first due and payable after
40 December 31, 2009.

41 (b) The following definitions apply throughout this section:

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- 1 (1) "Debt service obligations of a political subdivision" refers to:
 2 (A) the principal and interest payable during a calendar year
 3 on bonds; and
 4 (B) lease rental payments payable during a calendar year on
 5 leases;
 6 of a political subdivision payable from ad valorem property
 7 taxes.
 8 (2) "Protected taxes" refers to the following:
 9 (A) Property taxes that are exempted from the application
 10 of a credit granted under section 7 or 7.5 of this chapter by
 11 section 7(b), 7(c), 7.5(b), or 7.5(c) of this chapter or another
 12 law.
 13 (B) Property taxes imposed by a political subdivision to pay
 14 for debt service obligations of a political subdivision that
 15 are not exempted from the application of a credit granted
 16 under section 7 or 7.5 of this chapter by section 7(b), 7(c),
 17 7.5(b), or 7.5(c) of this chapter or any other law. Property
 18 taxes described in this clause are subject to the credit
 19 granted under section 7 or 7.5 of this chapter by section
 20 7(b), 7(c), 7.5(b), or 7.5(c) of this chapter regardless of their
 21 designation as protected taxes.
 22 (3) "Unprotected taxes" refers to property taxes that are not
 23 protected taxes.
 24 (c) Except as provided in section 9.9 of this chapter, the total
 25 amount of revenue to be distributed to the fund for which the protected
 26 taxes were imposed shall be determined as if no credit were granted
 27 under section 7, ~~or 7.5~~, **or 7.7** of this chapter **or under IC 6-1.1-49**.
 28 The total amount of the loss in revenue resulting from the granting of
 29 credits under section 7, ~~or 7.5~~, **or 7.7** of this chapter **or under**
 30 **IC 6-1.1-49** must reduce only the amount of unprotected taxes
 31 distributed to a fund using the following criteria:
 32 (1) The reduction may be allocated in the amounts determined
 33 by the political subdivision using a combination of unprotected
 34 taxes of the political subdivision in those taxing districts in
 35 which the credit caused a reduction in protected taxes.
 36 (2) The tax revenue and each fund of any other political
 37 subdivisions must not be affected by the reduction.
 38 (d) When:
 39 (1) the revenue that otherwise would be distributed to a fund
 40 receiving only unprotected taxes is reduced entirely under
 41 subsection (c) and the remaining revenue is insufficient for a

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1 fund receiving protected taxes to receive the revenue specified
 2 by subsection (c); or
 3 (2) there is not a fund receiving only unprotected taxes from
 4 which to distribute revenue;
 5 the revenue distributed to the fund receiving protected taxes must also
 6 be reduced. If the revenue distributed to a fund receiving protected
 7 taxes is reduced, the political subdivision may transfer money from one
 8 (1) or more of the other funds of the political subdivision to offset the
 9 loss in revenue to the fund receiving protected taxes. The transfer is
 10 limited to the amount necessary for the fund receiving protected taxes
 11 to receive the revenue specified under subsection (c). The amount
 12 transferred shall be specifically identified as a debt service obligation
 13 transfer for each affected fund.

14 SECTION 55. IC 6-1.1-20.6-9.9, AS AMENDED BY
 15 P.L.236-2023, SECTION 39, IS AMENDED TO READ AS
 16 FOLLOWS [EFFECTIVE JANUARY 1, 2026 (RETROACTIVE)]:
 17 Sec. 9.9. (a) This subsection applies to credits allocated before January
 18 1, 2024. If:

19 (1) a school corporation after July 1, 2016, issues new bonds or
 20 enters into a new lease rental agreement for which the school
 21 corporation is imposing or will impose a debt service levy other
 22 than:

23 (A) to refinance or renew prior bond or lease rental
 24 obligations existing before January 1, 2017; or
 25 (B) indebtedness that is approved in a local public question
 26 or referendum under IC 6-1.1-20 or any other law; and

27 (2) the school corporation's:
 28 (A) total debt service levy is greater than the school
 29 corporation's total debt service levy in 2016; and
 30 (B) total debt service tax rate is greater than the school
 31 corporation's total debt service tax rate in 2016;

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

34 (b) This subsection applies to credits allocated after December 31,
 35 2023. A school corporation is not eligible to allocate credits
 36 proportionately under this section, if a school corporation after July 1,
 37 2023, issues new bonds or enters into a new lease rental agreement for
 38 which the school corporation is imposing or will impose a debt service
 39 levy other than:

40 (1) to refinance or renew prior bond or lease rental obligations
 41 existing before January 1, 2024, but only if the refinancing or

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1 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 (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, 2023, 2024, 2025, or 2026 if the school corporation's
 8 percentage computed under this subsection is at least ten percent (10%)
 9 for its operations fund levy as certified by the department of local
 10 government finance. A school corporation shall compute its percentage
 11 under this subsection as determined under the following formula:
 12 STEP ONE: Determine the amount of credits granted under this
 13 chapter against the school corporation's levy for the school
 14 corporation's operations fund.
 15 STEP TWO: Determine the amount of the school corporation's
 16 levy that is attributable to new debt incurred after June 30, 2019,
 17 but is not attributable to the debt service levy described in
 18 subsection (a)(1)(B) (before January 1, 2024) or subsection
 19 (b)(2) (after December 31, 2023).
 20 STEP THREE: Determine the result of the school corporation's
 21 total levy minus any referendum levy.
 22 STEP FOUR: Subtract the STEP TWO amount from the STEP
 23 THREE amount.
 24 STEP FIVE: Divide the STEP FOUR amount by the STEP
 25 THREE amount expressed as a percentage.
 26 STEP SIX: Multiply the STEP ONE amount by the STEP FIVE
 27 percentage.
 28 STEP SEVEN: Determine the school corporation's levy for the
 29 school corporation's operations fund.
 30 STEP EIGHT: Divide the STEP SIX amount by the STEP
 31 SEVEN amount expressed as a percentage.
 32 The computation must be made by taking into account the requirements
 33 of section 9.8 of this chapter regarding protected taxes and the impact
 34 of credits granted under this chapter on the revenue to be distributed to
 35 the school corporation's operations fund for the particular year.
 36 (d) A school corporation that desires to be an eligible school
 37 corporation under this section must, before May 1 of the year for which
 38 it wants a determination, submit a written request for a certification by
 39 the department of local government finance that the computation of the
 40 school corporation's percentage under subsection (c) is correct. The
 41 department of local government finance shall, not later than June 1 of

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1 that year, determine whether the percentage computed by the school
2 corporation under subsection (c) is accurate and certify whether the
3 school corporation is eligible under this section.

4 (e) For a school corporation that is certified as eligible under this
5 section, the school corporation may allocate the effect of the credits
6 granted under this chapter **and IC 6-1.1-49** proportionately among all
7 the school corporation's property tax funds that are not exempt under
8 section 7.5(b) or 7.5(c) of this chapter, based on the levy for each fund
9 and without taking into account the requirements of section 9.8 of this
10 chapter regarding protected taxes as determined under the following
11 formula:

12 STEP ONE: Determine the product of:

13 (A) the percentage determined under STEP EIGHT of
14 subsection (c); multiplied by

15 (B) five (5).

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

18 STEP THREE: Determine the product of:

19 (A) the amount determined under STEP SIX of subsection
20 (c); multiplied by

21 (B) the STEP TWO percentage.

22 The school corporation may allocate the amount of credits determined
23 under STEP THREE proportionately under this section. The
24 department of local government finance shall include in its certification
25 of an eligible school corporation under subsection (d) the amount of
26 credits that the school corporation may allocate proportionately as
27 determined under this subsection.

28 (f) This section expires January 1, 2027.

29 SECTION 56. IC 6-1.1-21.2-4, AS AMENDED BY P.L.146-2008,
30 SECTION 232, IS AMENDED TO READ AS FOLLOWS
31 [EFFECTIVE UPON PASSAGE]: Sec. 4. As used in this chapter, "base
32 assessed value" means the base assessed value as that term is defined
33 or used in:

34 (1) ~~IC 6-1.1-39-5(h)~~; **IC 6-1.1-39-5(i)**;

35 (2) IC 8-22-3.5-9(a);

36 (3) IC 8-22-3.5-9.5;

37 (4) IC 36-7-14-39(a);

38 (5) IC 36-7-14-39.2;

39 (6) IC 36-7-14-39.3(c);

40 (7) IC 36-7-14-48;

41 (8) IC 36-7-14.5-12.5;

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- 1 (9) IC 36-7-15.1-26(a);
 2 (10) IC 36-7-15.1-26.2(c);
 3 (11) IC 36-7-15.1-35(a);
 4 (12) IC 36-7-15.1-35.5;
 5 (13) IC 36-7-15.1-53;
 6 (14) IC 36-7-15.1-55(c);
 7 (15) IC 36-7-30-25(a)(2);
 8 (16) IC 36-7-30-26(c);
 9 (17) IC 36-7-30.5-30; or
 10 (18) IC 36-7-30.5-31.

11 SECTION 57. IC 6-1.1-21.2-7, AS AMENDED BY P.L.146-2008,
 12 SECTION 236, IS AMENDED TO READ AS FOLLOWS
 13 [EFFECTIVE UPON PASSAGE]: Sec. 7. As used in this chapter,
 14 "property taxes" means:

- 15 (1) property taxes, as defined in:
 16 (A) ~~IC 6-1.1-39-5(g)~~; **IC 6-1.1-39-5(h)**;
 17 (B) IC 36-7-14-39(a);
 18 (C) IC 36-7-14-39.2;
 19 (D) IC 36-7-14-39.3(c);
 20 (E) IC 36-7-14.5-12.5;
 21 (F) IC 36-7-15.1-26(a);
 22 (G) IC 36-7-15.1-26.2(c);
 23 (H) IC 36-7-15.1-53(a);
 24 (I) IC 36-7-15.1-55(c);
 25 (J) IC 36-7-30-25(a)(3);
 26 (K) IC 36-7-30-26(c);
 27 (L) IC 36-7-30.5-30; or
 28 (M) IC 36-7-30.5-31; or
 29 (2) for allocation areas created under IC 8-22-3.5, the taxes
 30 assessed on taxable tangible property in the allocation area.

31 SECTION 58. IC 6-1.1-22-19, AS ADDED BY P.L.230-2025,
 32 SECTION 50, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 33 JANUARY 1, 2026 (RETROACTIVE)]: Sec. 19. (a) This section
 34 applies to real property tax statements provided to taxpayers after
 35 December 31, 2025.

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

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- 1 (1) The deduction for a veteran with a partial disability under
 2 IC 6-1.1-12-13 **(before its expiration).**
 3 (2) The deduction for a totally disabled veteran ~~or a veteran who~~
 4 ~~is at least sixty-two (62) years of age who is partially disabled~~
 5 under IC 6-1.1-12-14.
 6 (3) The deduction for a disabled veteran under IC 6-1.1-12-14.5.
 7 (4) The credit for a person sixty-five (65) years of age or older
 8 under IC 6-1.1-51.3-1.
 9 **(5) The credit for a disabled veteran or a veteran who is at**
 10 **least sixty-two (62) years of age under IC 6-1.1-51.3-5.**
 11 **(6) The credit for a veteran with a partial disability under**
 12 **IC 6-1.1-51.3-6.**

13 SECTION 59. IC 6-1.1-24-5.7, AS AMENDED BY P.L.26-2023,
 14 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 15 JANUARY 1, 2026 (RETROACTIVE)]: Sec. 5.7. (a) The county
 16 treasurer shall require each person who will be bidding at the tax sale
 17 to sign a statement in a form substantially similar to the following:

18 "Indiana law prohibits a person who owes delinquent taxes,
 19 special assessments, penalties, interest, or costs directly
 20 attributable to a prior tax sale of a tract or item of real property
 21 listed under IC 6-1.1-24-1 from bidding on or purchasing tracts
 22 or items of real property at a tax sale. I hereby affirm under the
 23 penalties for perjury that I do not owe delinquent taxes, special
 24 assessments, penalties, interest, costs directly attributable to a
 25 prior tax sale, amounts from a final adjudication in favor of a
 26 political subdivision, any civil penalties imposed for the
 27 violation of a building code or county ordinance, or any civil
 28 penalties imposed by a county health department. I also affirm
 29 that I am not purchasing tracts or items of real property on behalf
 30 of or as an agent for a person who is prohibited from purchasing
 31 at a tax sale. Further, I hereby acknowledge that any successful
 32 bid I make in violation of this statement is subject to forfeiture.
 33 I further acknowledge that I will not assign a certificate of sale
 34 for any tract or item of real property purchased to a person who
 35 is prohibited from bidding on or purchasing real property at a tax
 36 sale. In the event of forfeiture, the amount by which my bid
 37 exceeds the minimum bid on the tract or item or real property
 38 under IC 6-1.1-24-5(e), if any, shall be applied to the delinquent
 39 taxes, special assessments, penalties, interest, costs, judgments,
 40 or civil penalties I owe, and a certificate will be issued to the
 41 county executive. I further acknowledge that a person who
 42 knowingly or intentionally provides false information on this

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- 1 affidavit commits perjury, a Level 6 felony."
- 2 (b) If a person purchases real property that the person was not
- 3 eligible to purchase under section 5.1, 5.3, ~~or 5.4~~, **or 5.9** of this chapter,
- 4 the sale of the real property is subject to forfeiture. If the county
- 5 treasurer determines or is notified not more than forty-five (45) days
- 6 after the date of the sale that the sale of the real property should be
- 7 forfeited, the county treasurer shall:
- 8 (1) not more than five (5) days after the county treasurer is
- 9 notified, notify the person in writing by first class mail that the
- 10 sale is subject to forfeiture if the person does not pay the
- 11 amounts the person owes within fifteen (15) days of the date the
- 12 written notice is mailed;
- 13 (2) if the person does not meet the conditions described in
- 14 subdivision (1) within fifteen (15) days after the written notice
- 15 is mailed, apply the surplus amount of the person's bid, if any, to
- 16 the delinquent taxes, special assessments, penalties, and interest
- 17 on the real property;
- 18 (3) remit the amounts owed from a final adjudication or civil
- 19 penalties in favor of a political subdivision to the political
- 20 subdivision;
- 21 (4) notify the county auditor that the sale has been forfeited; and
- 22 (5) file with the county recorder a certification identifying the
- 23 forfeited sale that includes:
- 24 (A) the date of the sale;
- 25 (B) the name of the buyer;
- 26 (C) the property identification number of the real property;
- 27 (D) the real property's legal description; and
- 28 (E) a statement that the sale has been forfeited and is null
- 29 and void because the buyer was not eligible to purchase the
- 30 real property.
- 31 Upon being notified that a sale has been forfeited, the county auditor
- 32 shall issue a certificate to the county executive under section 6 of this
- 33 chapter.
- 34 (c) A county treasurer may decline to forfeit a sale under this
- 35 section because of inadvertence or mistake, lack of actual knowledge
- 36 by the bidder, substantial harm to other parties with interests in the real
- 37 property, or other substantial reasons. If the treasurer declines to forfeit
- 38 a sale, the treasurer shall:
- 39 (1) prepare a written statement explaining the reasons for
- 40 declining to forfeit the sale;
- 41 (2) retain the written statement as an official record; and

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- 1 (3) file with the county recorder a certification that includes:
 2 (A) the date of the sale;
 3 (B) the name of the buyer;
 4 (C) the property identification number of the real property;
 5 (D) the real property's legal description; and
 6 (E) a statement that the sale has not been forfeited and is
 7 valid.

8 (d) If a sale is forfeited under this section and the tract or item of
 9 real property is redeemed from the sale, the county auditor shall deposit
 10 the amount of the redemption into the county general fund and notify
 11 the county executive of the redemption. Upon being notified of the
 12 redemption, the county executive shall surrender the certificate to the
 13 county auditor.

14 (e) If a county treasurer does not take action under subsection (b)
 15 within forty-five (45) days of the date the county treasurer determines
 16 or is notified that a sale should be forfeited, the person is deemed to be
 17 an eligible purchaser for that sale of that real property.

18 (f) If a tax deed is issued for real property under IC 6-1.1-25-4, this
 19 section cannot be invoked to invalidate, rescind, or set aside the tax
 20 deed.

21 SECTION 60. IC 6-1.1-24-5.9 IS ADDED TO THE INDIANA
 22 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
 23 [EFFECTIVE JANUARY 1, 2026 (RETROACTIVE)]: **Sec. 5.9. (a) As**
 24 **used in this section, "business entity" refers to any of the following:**

- 25 (1) **A sole proprietorship.**
 26 (2) **A professional practice.**
 27 (3) **An unincorporated association.**
 28 (4) **A partnership.**
 29 (5) **A limited partnership.**
 30 (6) **A limited liability partnership.**
 31 (7) **A corporation.**
 32 (8) **A professional corporation.**
 33 (9) **A limited liability company.**
 34 (10) **A trust.**
 35 (11) **A business trust.**
 36 (12) **A real estate investment trust.**
 37 (13) **A fiduciary.**
 38 (14) **Any other form of organization permitted under Indiana**
 39 **law for business purposes.**
 40 (b) **An individual or business entity may not bid or purchase**
 41 **a tract or item of real property offered for sale under section 5 or**
 42 **6.1 of this chapter if:**

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- 1 **(1) the individual; or**
 2 **(2) an individual with a significant ownership interest or**
 3 **financial interest in the business entity also held a significant**
 4 **ownership interest or financial interest in another business**
 5 **entity that;**

6 **previously purchased a tract or item of real property offered for**
 7 **sale under section 5 or 6.1 of this chapter and the tract or item of**
 8 **real property was subsequently included on the list prepared under**
 9 **section 1 of this chapter.**

10 SECTION 61. IC 6-1.1-24-9, AS AMENDED BY P.L.26-2023,
 11 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 12 JANUARY 1, 2026 (RETROACTIVE)]: Sec. 9. (a) Immediately after
 13 a tax sale purchaser pays the bid, as evidenced by the receipt of the
 14 county treasurer, or immediately after the county acquires a lien under
 15 section 6 of this chapter, the county auditor shall deliver a certificate
 16 of sale to the purchaser or to the county or to the city. The certificate
 17 shall be signed by the auditor and registered in the auditor's office. The
 18 certificate shall contain:

- 19 (1) a description of real property that corresponds to the
 20 description used on the notice of sale;
 21 (2) the name of:
 22 (A) the owner of record at the time of the sale of real
 23 property with a single owner; or
 24 (B) at least one (1) of the owners of real property with
 25 multiple owners;
 26 (3) the mailing address of the owner of the real property sold as
 27 indicated in the records of the county auditor;
 28 (4) the name and mailing address of the purchaser;
 29 (5) the date of sale;
 30 (6) the amount for which the real property was sold;
 31 (7) the amount of the minimum bid for which the tract or real
 32 property was offered at the time of sale as required by section 5
 33 of this chapter;
 34 (8) the date when the period of redemption specified in
 35 IC 6-1.1-25-4 will expire;
 36 (9) the court cause number under which judgment was obtained;
 37 and
 38 (10) the street address, if any, or common description of the real
 39 property.

40 (b) When a certificate of sale is issued under this section, the
 41 purchaser acquires a lien against the real property for the entire amount
 42 paid. The lien of the purchaser is superior to all liens against the real

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1 property which exist at the time the certificate is issued.

2 (c) A certificate of sale is assignable. However, a purchaser who
 3 acquires a certificate of sale may not assign the certificate of sale to a
 4 person who was not eligible under section 5.1, 5.3, ~~or 5.4~~, **or 5.9** of this
 5 chapter to bid on or purchase real property at a tax sale held under
 6 section 5 or 6.1 of this chapter until the person satisfies the eligibility
 7 requirements as determined by the county auditor. In addition to the
 8 prohibition on the assignment of a tax sale certificate to a person
 9 described in section 5.1, 5.3, ~~or 5.4~~, **or 5.9** of this chapter until the
 10 person satisfies the eligibility requirements as determined by the county
 11 auditor, a county legislative body may adopt an ordinance further
 12 prohibiting the assignment of a certificate of sale acquired at a
 13 treasurer's sale (pursuant to section 5 of this chapter) or at a county
 14 executive's tax sale (pursuant to section 6.1 of this chapter) prior to the
 15 issuance of a tax deed for the real property by the county auditor.

16 (d) An assignment not prohibited by an ordinance adopted under
 17 subsection (c) is not valid unless the county auditor first determines the
 18 person is eligible to receive the assignment. If the county auditor
 19 determines the person is eligible to receive the assignment, the
 20 following requirements apply:

21 (1) The assignment must be acknowledged before an officer
 22 authorized to take acknowledgments of deeds.

23 (2) The assignment must be registered in the office of the county
 24 auditor and noted in the county auditor's tax sale record under
 25 IC 6-1.1-25-8.

26 When a certificate of sale is assigned, the assignee acquires the same
 27 rights and obligations that the original purchaser acquired.

28 (e) Subject to IC 36-1-11-8, the county executive may assign a
 29 certificate of sale held in the name of the county executive to any
 30 political subdivision. If an assignment is made under this subsection:

31 (1) the period of redemption of the real property under
 32 IC 6-1.1-25 is one hundred twenty (120) days after the date of
 33 the assignment; and

34 (2) notwithstanding IC 6-1.1-25-4.5(a) through
 35 IC 6-1.1-25-4.5(c), the assignee must transmit the notices
 36 required under IC 6-1.1-25-4.5 not later than ninety (90) days
 37 after the date of the assignment.

38 If the real property is not redeemed during the period of redemption,
 39 the assignee may petition the court for a tax deed under IC 6-1.1-25-4.6
 40 not later than ninety (90) days after the expiration of the period of
 41 redemption.

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1 SECTION 62. IC 6-1.1-37-4, AS AMENDED BY P.L.230-2025,
2 SECTION 56, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JANUARY 1, 2026 (RETROACTIVE)]: Sec. 4. A person who makes
4 a false statement, with intent to obtain the property tax deduction
5 provided in either IC 6-1.1-12-13 (**before its expiration**) or
6 IC 6-1.1-12-14 when the person is not entitled to the deduction,
7 commits a Class B misdemeanor.

8 SECTION 63. IC 6-1.1-39-5, AS AMENDED BY P.L.214-2019,
9 SECTION 22, AND AS AMENDED BY P.L.257-2019, SECTION 68,
10 IS CORRECTED AND AMENDED TO READ AS FOLLOWS
11 [EFFECTIVE UPON PASSAGE]: Sec. 5. (a) A declaratory ordinance
12 adopted under section 2 of this chapter and confirmed under section 3
13 of this chapter must include a provision with respect to the allocation
14 and distribution of property taxes for the purposes and in the manner
15 provided in this section. The allocation provision must apply to the
16 entire economic development district. The allocation provisions must
17 require that any property taxes subsequently levied by or for the benefit
18 of any public body entitled to a distribution of property taxes on taxable
19 property in the economic development district be allocated and
20 distributed as follows:

21 (1) Except as otherwise provided in this section, the proceeds of
22 the taxes attributable to the lesser of:

23 (A) the assessed value of the property for the assessment
24 date with respect to which the allocation and distribution is
25 made; or

26 (B) the base assessed value;
27 shall be allocated to and, when collected, paid into the funds of
28 the respective taxing units. However, if the effective date of the
29 allocation provision of a declaratory ordinance is after March 1,
30 1985, and before January 1, 1986, and if an improvement to
31 property was partially completed on March 1, 1985, the unit may
32 provide in the declaratory ordinance that the taxes attributable to
33 the assessed value of the property as finally determined for
34 March 1, 1984, shall be allocated to and, when collected, paid
35 into the funds of the respective taxing units.

36 (2) Except as otherwise provided in this section, part or all of the
37 property tax proceeds in excess of those described in subdivision
38 (1), as specified in the declaratory ordinance, shall be allocated
39 to the unit for the economic development district and, when
40 collected, paid into a special fund established by the unit for that
41 economic development district that may be used only to pay the

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1 principal of and interest on obligations owed by the unit under
 2 IC 4-4-8 (before its repeal) or IC 5-28-9 for the financing of
 3 industrial development programs in, or serving, that economic
 4 development district. The amount not paid into the special fund
 5 shall be paid to the respective units in the manner prescribed by
 6 subdivision (1).

7 (3) When the money in the fund is sufficient to pay all
 8 outstanding principal of and interest (to the earliest date on
 9 which the obligations can be redeemed) on obligations owed by
 10 the unit under IC 4-4-8 (before its repeal) or IC 5-28-9 for the
 11 financing of industrial development programs in, or serving, that
 12 economic development district, money in the special fund in
 13 excess of that amount shall be paid to the respective taxing units
 14 in the manner prescribed by subdivision (1).

15 (b) Property tax proceeds allocable to the economic development
 16 district under subsection (a)(2) must, subject to subsection (a)(3), be
 17 irrevocably pledged by the unit for payment as set forth in subsection
 18 (a)(2).

19 (c) For the purpose of allocating taxes levied by or for any taxing
 20 unit or units, the assessed value of taxable property in a territory in the
 21 economic development district that is annexed by any taxing unit after
 22 the effective date of the allocation provision of the declaratory
 23 ordinance is the lesser of:

- 24 (1) the assessed value of the property for the assessment date
 25 with respect to which the allocation and distribution is made; or
- 26 (2) the base assessed value.

27 (d) Notwithstanding any other law, each assessor shall, upon
 28 petition of the fiscal body, reassess the taxable property situated upon
 29 or in, or added to, the economic development district effective on the
 30 next assessment date after the petition.

31 (e) Notwithstanding any other law, the assessed value of all
 32 taxable property in the economic development district, for purposes of
 33 tax limitation, property tax replacement, and formulation of the budget,
 34 tax rate, and tax levy for each political subdivision in which the
 35 property is located, is the lesser of:

- 36 (1) the assessed value of the property as valued without regard
 37 to this section; or
- 38 (2) the base assessed value.

39 (f) The state board of accounts and department of local
 40 government finance shall make the rules and prescribe the forms and
 41 procedures that they consider expedient for the implementation of this

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1 chapter. After each reassessment of a group of parcels under a
 2 reassessment plan prepared under IC 6-1.1-4-4.2 the ~~department of~~
 3 ~~local government finance~~ **county auditor** shall, **on forms prescribed**
 4 **by the department of local government finance**, adjust the base
 5 assessed value one (1) time to neutralize any effect of the reassessment
 6 on the property tax proceeds allocated to the district under this section.
 7 After each annual adjustment under IC 6-1.1-4-4.5, the ~~department of~~
 8 ~~local government finance~~ **county auditor** shall, **on forms prescribed**
 9 **by the department of local government finance**, adjust the base
 10 assessed value to neutralize any effect of the annual adjustment on the
 11 property tax proceeds allocated to the district under this section.
 12 However, the adjustments under this subsection may not include the
 13 effect of property tax abatements under IC 6-1.1-12.1.

14 **(g) The county auditor shall, in the manner prescribed by the**
 15 **department of local government finance, submit the forms**
 16 **required by this section to the department of local government**
 17 **finance no later than July 15 of each year. If the county auditor**
 18 **fails to submit the forms by the deadline under this subsection, the**
 19 **county auditor shall allocate five percent (5%) of the assessed**
 20 **value in the allocation area that is used to calculate the allocation**
 21 **and distribution of allocated tax proceeds under this section to the**
 22 **respective taxing units. However, if the district notifies the county**
 23 **auditor and the department of local government finance, no later**
 24 **than July 15, that it is unable to meet its debt service obligations**
 25 **with regard to the allocation area without all or part of the**
 26 **allocated tax proceeds attributed to the assessed value that has**
 27 **been allocated to the respective taxing units, then the county**
 28 **auditor may not allocate five percent (5%) of the assessed value in**
 29 **the allocation area that is used to calculate the allocation and**
 30 **distribution of allocated tax proceeds under this section to the**
 31 **respective taxing units.**

32 **(g) (h) As used in this section, "property taxes" means:**

- 33 (1) taxes imposed under this article on real property; and
- 34 (2) any part of the taxes imposed under this article on
 35 depreciable personal property that the unit has by ordinance
 36 allocated to the economic development district. However, the
 37 ordinance may not limit the allocation to taxes on depreciable
 38 personal property with any particular useful life or lives.

39 If a unit had, by ordinance adopted before May 8, 1987, allocated to an
 40 economic development district property taxes imposed under IC 6-1.1
 41 on depreciable personal property that has a useful life in excess of eight
 42 (8) years, the ordinance continues in effect until an ordinance is

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1 adopted by the unit under subdivision (2).
 2 ~~(h)~~ (i) As used in this section, "base assessed value" means,
 3 subject to subsection ~~(i)~~: (j):
 4 (1) the net assessed value of all the property as finally
 5 determined for the assessment date immediately preceding the
 6 effective date of the allocation provision of the declaratory
 7 resolution, as adjusted under subsection (f); plus
 8 (2) to the extent that it is not included in subdivision (1), the net
 9 assessed value of property that is assessed as residential property
 10 under the rules of the department of local government finance,
 11 *within the economic development district*, as finally determined
 12 for ~~any the current~~ assessment date. ~~after the effective date of~~
 13 ~~the allocation provision.~~
 14 Subdivision (2) applies only to economic development districts
 15 established after June 30, 1997, and to additional areas established
 16 after June 30, 1997.
 17 ~~(i)~~ (j) If a fiscal body confirms, or modifies and confirms, an
 18 ordinance under section 3 of this chapter and the fiscal body makes
 19 either of the filings required under section 3(d) of this chapter after the
 20 first anniversary of the effective date of the allocation provision in the
 21 ordinance, the auditor of the county in which the unit is located shall
 22 compute the base assessed value for the allocation area using the
 23 assessment date immediately preceding the later of:
 24 (1) the date on which the documents are filed with the county
 25 auditor; or
 26 (2) the date on which the documents are filed with the
 27 department.
 28 SECTION 64. IC 6-1.1-41-4, AS AMENDED BY P.L.38-2021,
 29 SECTION 40, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 30 JULY 1, 2026]: Sec. 4. (a) A political subdivision that in any year
 31 adopts a proposal under this chapter must submit the proposal to the
 32 department of local government finance:
 33 (1) before August 2 of that year, for years before 2018; and
 34 (2) before June 1 of that year, for years after 2017.
 35 (b) Subject to subsections (c) and (d), the department of local
 36 government finance shall certify to the political subdivision **during the**
 37 **certification process under IC 6-1.1-17-16** that the proposal has a
 38 property tax rate that does not exceed the maximum property tax rate
 39 allowed by the applicable statute described in section 1 of this chapter.
 40 If the proposal has a property tax rate that exceeds the maximum
 41 property tax rate allowed by the applicable statute described in section

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1 of this chapter, the department of local government finance shall
 2 certify the proposal at a rate equal to the maximum property tax rate
 3 allowed by the applicable statute under section 1 of this chapter.
 4 (c) The department of local government finance may not decline
 5 to certify a proposal under subsection (b) unless the political
 6 subdivision fails to submit the proposal before the date described in
 7 subsection (a).
 8 (d) If a petition is filed pursuant to section 6 of this chapter, the
 9 department of local government finance may not certify a proposal
 10 under subsection (b) until:
 11 (1) a hearing has been conducted under section 7 of this chapter;
 12 and
 13 (2) a final determination has been made on the petition under
 14 section 9 of this chapter.
 15 If section 9 of this chapter applies, the department of local government
 16 finance may decline to certify the proposal.
 17 SECTION 65. IC 6-1.1-51.3-1, AS ADDED BY P.L.68-2025,
 18 SECTION 84, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 19 JANUARY 1, 2026 (RETROACTIVE)]: Sec. 1. (a) An individual is
 20 entitled to a credit against local property taxes imposed on the
 21 individual's real property, or mobile home or manufactured home
 22 within the county, if:
 23 (1) the individual is at least sixty-five (65) years of age on or
 24 before December 31 of the calendar year preceding the year in
 25 which the credit is claimed;
 26 (2) the individual has owned the real property, mobile home, or
 27 manufactured home for at least one (1) year before claiming the
 28 credit; or the individual has been buying the real property,
 29 mobile home, or manufactured home under a contract that
 30 provides that the individual is to pay the property taxes on the
 31 real property, mobile home, or manufactured home for at least
 32 one (1) year before claiming the credit, and the contract or a
 33 memorandum of the contract is recorded in the county recorder's
 34 office;
 35 (3) the individual:
 36 (A) owns the real property, mobile home, or manufactured
 37 home; or
 38 (B) is buying the real property, mobile home, or
 39 manufactured home under contract;
 40 on the date the credit is claimed; ~~and~~
 41 (4) the:

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- 1 (A) individual had, in the case of an individual who filed a
 2 single return, adjusted gross income (as defined in Section
 3 62 of the Internal Revenue Code) not exceeding sixty
 4 thousand dollars (\$60,000);
 5 (B) individual had, in the case of an individual who filed a
 6 joint income tax return with the individual's spouse,
 7 combined adjusted gross income (as defined in Section 62
 8 of the Internal Revenue Code) not exceeding seventy
 9 thousand dollars (\$70,000); or
 10 (C) combined adjusted gross income (as defined in Section
 11 62 of the Internal Revenue Code) of the individual and all
 12 other individuals with whom:
 13 (i) the individual shares ownership; or
 14 (ii) the individual is purchasing the property under a
 15 contract;
 16 as joint tenants or tenants in common did not exceed
 17 seventy thousand dollars (\$70,000);
 18 for the calendar year preceding by two (2) years the calendar
 19 year in which the property taxes are first due and payable; **and**
 20 **(5) the individual resides on the real property, mobile home,**
 21 **or manufactured home.**
 22 (b) The amount of the credit is equal to one hundred fifty dollars
 23 (\$150).
 24 (c) An individual may not be denied the credit provided under this
 25 section because the individual is absent from the real property, mobile
 26 home, or manufactured home while in a nursing home or hospital.
 27 (d) For purposes of this section, if real property, a mobile home,
 28 or a manufactured home is owned by:
 29 (1) tenants by the entirety;
 30 (2) joint tenants; or
 31 (3) tenants in common;
 32 only one (1) credit may be allowed. However, the age requirement is
 33 satisfied if any one (1) of the tenants is at least sixty-five (65) years of
 34 age.
 35 (e) A surviving spouse is entitled to the credit provided by this
 36 section if:
 37 (1) the surviving spouse is at least sixty (60) years of age on or
 38 before December 31 of the calendar year preceding the year in
 39 which the credit is claimed;
 40 (2) the surviving spouse's deceased husband or wife was at least
 41 sixty-five (65) years of age at the time of a death; and

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1 (3) the surviving spouse has not remarried.
 2 (f) An individual who has sold real property to another person
 3 under a contract that provides that the contract buyer is to pay the
 4 property taxes on the real property may not claim the credit provided
 5 under this section against that real property.

6 (g) If individuals share ownership or are purchasing the property
 7 under a contract as joint tenants or tenants in common and all of the
 8 tenants are not at least sixty-five (65) years of age, the credit allowed
 9 under this section shall be reduced by an amount equal to the credit
 10 multiplied by a fraction. The numerator of the fraction is the number of
 11 tenants who are not at least sixty-five (65) years of age, and the
 12 denominator is the total number of tenants.

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

28 SECTION 66. IC 6-1.1-51.3-5 IS ADDED TO THE INDIANA
 29 CODE AS A NEW SECTION TO READ AS FOLLOWS
 30 [EFFECTIVE JANUARY 1, 2026 (RETROACTIVE)]: **Sec. 5. (a) An**
 31 **individual is entitled to a credit against local property taxes**
 32 **imposed on the individual's real property, or mobile home or**
 33 **manufactured home within the county, if:**

- 34 (1) the individual served in the military or naval forces of the
 35 United States for at least ninety (90) days;
 36 (2) the individual received an honorable discharge;
 37 (3) the individual is at least sixty-two (62) years of age and
 38 has a disability of at least ten percent (10%);
 39 (4) the individual's disability is evidenced by:
 40 (A) a pension certificate or an award of compensation
 41 issued by the United States Department of Veterans
 42 Affairs; or

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1 (B) a certificate of eligibility issued to the individual by
 2 the Indiana department of veterans' affairs after the
 3 Indiana department of veterans' affairs has determined
 4 that the individual's disability qualifies the individual to
 5 receive a credit under this section; and
 6 (5) the individual:
 7 (A) owns the real property, mobile home, or
 8 manufactured home; or
 9 (B) is buying the real property, mobile home, or
 10 manufactured home under contract;
 11 on the date the credit is claimed, and in the case of clause (B),
 12 the contract or a memorandum of the contract is recorded in
 13 the county recorder's office.
 14 (b) The amount of the credit is equal to two hundred fifty
 15 dollars (\$250).
 16 (c) The surviving spouse of an individual may receive the
 17 credit provided by this section if:
 18 (1) the individual satisfied the requirements of subsection
 19 (a)(1) through (a)(4) at the time of death; or
 20 (2) the individual:
 21 (A) was killed in action;
 22 (B) died while serving on active duty in the military or
 23 naval forces of the United States; or
 24 (C) died while performing inactive duty training in the
 25 military or naval forces of the United States;
 26 and the surviving spouse satisfies the requirement of subsection
 27 (a)(5) at the time the credit is claimed. The surviving spouse is
 28 entitled to the credit regardless of whether the property for which
 29 the credit is claimed was owned by the deceased veteran or the
 30 surviving spouse before the deceased veteran's death.
 31 (d) An individual who receives the credit provided by this
 32 section may receive any other property tax credit that the
 33 individual is entitled to by law.
 34 (e) An individual who has sold real property or a mobile home
 35 or manufactured home to another person under a contract that
 36 provides that the contract buyer is to pay the property taxes on the
 37 real property, mobile home, or manufactured home may not claim
 38 the credit provided under this section against that real property,
 39 mobile home, or manufactured home.
 40 (f) An individual wishing to claim a credit under this section
 41 must file a statement, on forms prescribed by the department of
 42 local government finance, with the county auditor and provide

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1 documentation necessary to substantiate the individual's eligibility
 2 for the credit. The statement must be completed and dated on or
 3 before January 15 of the calendar year in which the property taxes
 4 are first due and payable. The statement may be filed in person or
 5 by mail. If mailed, the mailing must be postmarked on or before
 6 the last day for filing. An individual who remains eligible for the
 7 credit in the following year is not required to file a statement to
 8 apply for the credit in the following year. However, an individual
 9 who receives a credit under this section in a particular year and
 10 who becomes ineligible for the credit in the following year shall
 11 notify the auditor of the county in which the homestead is located
 12 of the individual's ineligibility not later than sixty (60) days after
 13 the individual becomes ineligible.

14 SECTION 67. IC 6-1.1-51.3-6 IS ADDED TO THE INDIANA
 15 CODE AS A NEW SECTION TO READ AS FOLLOWS
 16 [EFFECTIVE JANUARY 1, 2026 (RETROACTIVE)]: **Sec. 6. (a) An**
 17 **individual is entitled to a credit against local property taxes**
 18 **imposed on the individual's real property, mobile home, or**
 19 **manufactured home within the county, if:**

- 20 (1) the individual served in the military or naval forces of the
 21 United States during any of its wars;
 22 (2) the individual received an honorable discharge;
 23 (3) the individual has a disability with a service connected
 24 disability of ten percent (10%) or more;
 25 (4) the individual's disability is evidenced by:

- 26 (A) a pension certificate, an award of compensation, or
 27 a disability compensation check issued by the United
 28 States Department of Veterans Affairs; or
 29 (B) a certificate of eligibility issued to the individual by
 30 the Indiana department of veterans' affairs after the
 31 Indiana department of veterans' affairs has determined
 32 that the individual's disability qualifies the individual to
 33 receive a credit under this section; and

- 34 (5) the individual:

- 35 (A) owns the real property, mobile home, or
 36 manufactured home; or
 37 (B) is buying the real property, mobile home, or
 38 manufactured home under contract;

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

- 42 (b) The amount of the credit is equal to three hundred fifty



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dollars (\$350).

(c) The surviving spouse of an individual may receive the credit provided by this section if the individual satisfied the requirements of subsection (a)(1) through (a)(4) at the time of death and the surviving spouse satisfies the requirement of subsection (a)(5) at the time the credit is claimed. The surviving spouse is entitled to the credit regardless of whether the property for which the credit is claimed was owned by the deceased veteran or the surviving spouse before the deceased veteran's death.

(d) An individual who receives the credit provided by this section may receive any other property tax credit that the individual is entitled to by law.

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

(f) An individual wishing to claim a credit under this section must file a statement, on forms prescribed by the department of local government finance, with the county auditor and provide documentation necessary to substantiate the individual's eligibility for the credit. The statement must be completed and dated 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. An individual who remains eligible for the credit in the following year is not required to file a statement to apply for the credit in the following year. However, an individual who receives a credit under this section in a particular year and who becomes ineligible for the credit in the following year shall notify the auditor of the county in which the homestead is located of the individual's ineligibility not later than sixty (60) days after the individual becomes ineligible.

SECTION 68. IC 6-1.1-51.3-7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2026 (RETROACTIVE)]: **Sec. 7. A trust is entitled to a credit under section 1, 2, 5, or 6 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:

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- 1 (A) a beneficial interest in the trust; or
- 2 (B) the right to occupy the real property rent free under
- 3 the terms of a qualified personal residence trust created
- 4 by the individual under United States Treasury
- 5 Regulation 25.2702-5(c)(2); and
- 6 (2) otherwise qualifies for the credit.

7 SECTION 69. IC 6-2.5-5-29 IS AMENDED TO READ AS
 8 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 29. (a) As used in
 9 this section:

10 "Manufactured home" means a manufactured home as that term is
 11 defined in 42 U.S.C. 5402(6) as that statute was adopted and in effect
 12 on January 1, 1988: **has the definition set forth in IC 9-13-2-96(a).**
 13 **The term includes a mobile home (as defined in IC 9-13-2-103.2).**

14 "Industrialized residential structure" means a structure that is both
 15 an industrialized building system (as defined in IC 22-12-1-14) and a
 16 one (1) or two (2) family private residence.

17 (b) Sales of manufactured homes or industrialized residential
 18 structures are exempt from the state gross retail tax to the extent that
 19 the gross retail income from the sales is not attributable to the cost of
 20 materials used in manufacturing the manufactured home or
 21 industrialized residential structure.

22 (c) For purposes of this section, the part of the gross retail income
 23 not attributable to the cost of materials used in manufacturing a
 24 manufactured home or an industrialized residential structure is
 25 thirty-five percent (35%) of the gross retail income derived from the
 26 sale of the manufactured home or industrialized residential structure.

27 (d) The gross retail income derived from the sale of a preowned
 28 manufactured home is exempt from the state gross retail tax.

29 SECTION 70. IC 6-3.1-38-4, AS ADDED BY P.L.203-2023,
 30 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 31 JANUARY 1, 2026 (RETROACTIVE)]: Sec. 4. (a) Subject to
 32 **subsection (c) and** section 7 of this chapter, a qualified taxpayer may
 33 claim a credit against the qualified taxpayer's state tax liability for a
 34 qualified contribution for a qualified taxpayer with less than fifty (50)
 35 employees, **if the amount provided toward the health**
 36 **reimbursement arrangement is equal to or greater than the level**
 37 **of benefits provided in the previous benefit year, or if the amount**
 38 **the employer contributes toward the health reimbursement**
 39 **arrangement equals the same amount contributed per covered**
 40 **individual toward the employer provided health insurance plan**
 41 **during the previous benefit year. up to four hundred dollars (\$400)**
 42 **in the first year per covered employee if the amount provided toward**

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1 the health reimbursement arrangement is equal to or greater than either
 2 the level of benefits provided in the previous benefit year; or if the
 3 amount the employer contributes toward the health reimbursement
 4 arrangement equals the same amount contributed per covered
 5 individual toward the employer provided health insurance plan during
 6 the previous benefit year. The credit under this section decreases to two
 7 hundred dollars (\$200) per covered employee in the second year.

8 **(b) The amount of the credit is the lesser of:**

9 **(1) the amount contributed by the employer toward the**
 10 **health reimbursement arrangement during the taxable year;**

11 **or**

12 **(2) the following:**

13 **(A) For the taxable year in which the employer**
 14 **establishes the health reimbursement arrangement, four**
 15 **hundred dollars (\$400).**

16 **(B) For the taxable year that immediately follows the**
 17 **taxable year in which the employer establishes the**
 18 **health reimbursement arrangement, two hundred**
 19 **dollars (\$200).**

20 **(C) For a taxable year following a taxable year**
 21 **described in clause (B), zero dollars (\$0).**

22 **(c) A qualified taxpayer may not claim a credit under this**
 23 **chapter for a health reimbursement arrangement established in a**
 24 **taxable year beginning before January 1, 2024.**

25 SECTION 71. IC 6-3.1-38-4.5 IS ADDED TO THE INDIANA
 26 CODE AS A NEW SECTION TO READ AS FOLLOWS
 27 [EFFECTIVE JANUARY 1, 2026 (RETROACTIVE)]: **Sec. 4.5. For**
 28 **a taxable year beginning after December 31, 2025, if a pass through**
 29 **entity is entitled to a credit under section 4 of this chapter but does**
 30 **not have state tax liability against which the tax credit may be**
 31 **applied, a shareholder, partner, or member of the pass through**
 32 **entity is entitled to a tax credit equal to:**

33 **(1) the tax credit determined for the pass through entity for**
 34 **the taxable year; multiplied by**

35 **(2) the percentage of the pass through entity's distributive**
 36 **income to which the shareholder, partner, or member is**
 37 **entitled.**

38 SECTION 72. IC 6-3.1-38-7, AS ADDED BY P.L.203-2023,
 39 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 40 JANUARY 1, 2026 (RETROACTIVE)]: **Sec. 7. (a) The amount of tax**
 41 **credits granted under this chapter may not exceed ten million dollars**
 42 **(\$10,000,000) in any taxable calendar year.**



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1 (b) The department shall record the time of filing of each return
2 claiming a credit under section 6 of this chapter and shall approve the
3 claims if they otherwise qualify for a tax credit under this chapter, in
4 the chronological order in which the claims are filed in the ~~state fiscal~~
5 **calendar year. The claim of a credit resulting from a pass through**
6 **entity shall be considered to be filed when the pass through entity**
7 **files a return for the taxable year.**

8 (c) **For purposes of calculating the amount of tax credits**
9 **granted under this chapter in a calendar year, in the case of a**
10 **taxpayer for whom some amount of the credit claimed must be**
11 **carried over under section 8 of this chapter, the taxpayer is**
12 **considered to have filed a claim for the full amount allowable to the**
13 **taxpayer.**

14 (c) (d) The department may not approve a claim for a tax credit
15 after the date on which the total credits approved under this section
16 equal the maximum amount allowable in a particular ~~state fiscal~~
17 **calendar year.**

18 SECTION 73. IC 6-3.6-1-1.5, AS AMENDED BY P.L.68-2025,
19 SECTION 92, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
20 JULY 1, 2028]: Sec. 1.5. (a) In counties that adopted a homestead
21 credit under IC 6-3.5-6-13 (before its repeal January 1, 2017), the
22 transition from the former taxes to the taxes governed under this article
23 shall include the transition of the homestead credit under IC 6-3.5-6-13
24 (before its repeal January 1, 2017) to a property tax relief rate under
25 IC 6-3.6-5 (before its expiration).

26 (b) To accomplish the transition under this section, the department
27 of local government finance shall determine the portion of the income
28 tax rate under IC 6-3.5-6-8 (before its repeal January 1, 2017) that is
29 attributable to the homestead credit approved under IC 6-3.5-6-13
30 (before its repeal January 1, 2017) and shall allocate that portion of the
31 income tax rate that is attributable to the homestead credit under
32 IC 6-3.5-6-13 (before its repeal January 1, 2017) to the property tax
33 relief rate under IC 6-3.6-5 (before its expiration).

34 (c) The department of local government finance shall notify each
35 affected county of the rate that will be allocated to the property tax
36 relief rate not later than July 1, 2016. In addition, the department of
37 local government finance shall notify the state budget agency of the
38 transition under this section.

39 (d) This section expires July 1, ~~2028: 2029.~~

40 SECTION 74. IC 6-3.6-1-3, AS AMENDED BY P.L.68-2025,
41 SECTION 93, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
42 JULY 1, 2028]: Sec. 3. (a) Except to the extent that taxes imposed in

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- 1 a county under or determined under:
- 2 (1) IC 6-3.5-1.1 (repealed);
- 3 (2) IC 6-3.5-1.5 (repealed);
- 4 (3) IC 6-3.5-6 (repealed); or
- 5 (4) IC 6-3.5-7 (repealed);

6 are increased, decreased, or rescinded under this article, the total tax
 7 rate in effect in a county under the provisions described in subdivisions
 8 (1) through (4) on May 1, 2016, continue in effect after May 1, 2016,
 9 and shall be treated as taxes imposed under this article.

10 (b) Notwithstanding subsection (a) or any other provision of this
 11 article, a property tax relief rate imposed in a county under IC 6-3.6-5
 12 (before its expiration) expires December 31, ~~2027~~: **2028**.

13 SECTION 75. IC 6-3.6-2-2, AS AMENDED BY P.L.68-2025,
 14 SECTION 95, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 15 JANUARY 1, 2029]: Sec. 2. "Adjusted gross income" has the meaning
 16 set forth in IC 6-3-1-3.5. However:

17 (1) in the case of a resident local taxpayer of Perry County, **or a**
 18 **resident of a municipality located in Perry County in the case**
 19 **of a local income tax imposed under IC 6-3.6-6-22**, the term
 20 does not include adjusted gross income described in
 21 IC 6-3.6-8-7; and

22 (2) in the case of a local taxpayer described in section 13(3) of
 23 this chapter, the term includes only that part of the individual's
 24 total income that:

25 (A) is apportioned to Indiana under IC 6-3-2-2.7 or
 26 IC 6-3-2-3.2; and

27 (B) is paid to the individual as compensation for services
 28 rendered in the county (or municipality in the case of a local
 29 income tax imposed under IC 6-3.6-6-22) as a team member
 30 or race team member.

31 SECTION 76. IC 6-3.6-2-7.4, AS AMENDED BY P.L.68-2025,
 32 SECTION 98, AND P.L.223-2025, SECTION 4, IS AMENDED TO
 33 READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7.4.
 34 "County with a single voting bloc" means a county that has a local
 35 income tax council in which one (1) city that is a member of the local
 36 income tax council or one (1) town that is a member of the local
 37 income tax council is allocated more than fifty percent (50%) of the
 38 total one hundred (100) votes allocated under IC 6-3.6-3-6(d). This
 39 section expires May 31, ~~2027~~: **2028**.

40 SECTION 77. IC 6-3.6-2-13, AS AMENDED BY P.L.68-2025,
 41 SECTION 100, IS AMENDED TO READ AS FOLLOWS

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1 [EFFECTIVE JANUARY 1, 2029]: Sec. 13. "Local taxpayer" means
 2 any of the following:

3 (1) As it relates to a particular county (or municipality in the
 4 case of a local income tax imposed under IC 6-3.6-6-22), an
 5 individual who resides in that county (or municipality in the case
 6 of a local income tax imposed under IC 6-3.6-6-22) on the date
 7 specified in IC 6-3.6-8-3.

8 (2) As it relates to a particular county, **and except for an**
 9 **individual described in subdivision (3)**, an individual who
 10 maintains the taxpayer's principal place of business or
 11 employment in that county on the date specified in IC 6-3.6-8-3
 12 and who does not reside on that same date in another county in
 13 Indiana in which a tax under this article is in effect. However, for
 14 purposes of a local income tax imposed **by a county under**
 15 **IC 6-3.6-6-2(b)(4) or imposed** by a municipality under
 16 IC 6-3.6-6-22, the term does not include an individual described
 17 in this subdivision.

18 (3) As it relates to a particular county **(or municipality in the**
 19 **case of a local income tax imposed under IC 6-3.6-6-22)**, **and**
 20 **only for purposes of a rate imposed by a county under**
 21 **6-3.6-6-2(b)(3)**, the term includes an individual who:

- 22 (A) has income apportioned to Indiana as:
 - 23 (i) a team member under IC 6-3-2-2.7; or
 - 24 (ii) a race team member under IC 6-3-2-3.2;
 for services rendered in the county **(or municipality in the**
 25 **case of a local income tax imposed under IC 6-3.6-6-22)**;
 26 **and**
 27 (B) is not described in subdivision (1). ~~or (2)~~.

28 SECTION 78. IC 6-3.6-2-15, AS AMENDED BY P.L.68-2025,
 29 SECTION 101, IS AMENDED TO READ AS FOLLOWS
 30 [EFFECTIVE JANUARY 1, 2029]: Sec. 15. "Resident local taxpayer",
 31 as it relates to a particular county (or municipality in the case of a local
 32 income tax imposed under IC 6-3.6-6-22), means any local taxpayer
 33 who resides in that county (or municipality in the case of a local
 34 income tax imposed under IC 6-3.6-6-22) on the date specified in
 35 IC 6-3.6-8-3. **For purposes of a local income tax rate imposed by a**
 36 **county under IC 6-3.6-6-2(b)(4), the term means an individual who**
 37 **resides in the part of the county for which the county may impose**
 38 **a rate under IC 6-3.6-6-2(b)(4) on the date specified in IC 6-3.6-8-3.**

39 SECTION 79. IC 6-3.6-2-16.5 IS ADDED TO THE INDIANA
 40 CODE AS A NEW SECTION TO READ AS FOLLOWS
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1 [EFFECTIVE JULY 1, 2026]: **Sec. 16.5. "State GIS officer" has the**
2 **meaning set forth in IC 4-23-7.3-10.**

3 SECTION 80. IC 6-3.6-3-2, AS AMENDED BY P.L.159-2020,
4 SECTION 54, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
5 JULY 1, 2026]: Sec. 2. (a) An adopting body or, if authorized by this
6 article, another governmental entity that is not an adopting body, may
7 take an action under this article only by ordinance, unless this article
8 permits the action to be taken by resolution.

9 (b) The department of local government finance, in consultation
10 with the department of state revenue, may make electronically available
11 uniform notices, ordinances, and resolutions that an adopting body or
12 other governmental entity may use to take an action under this article.
13 ~~An adopting body or other governmental entity may submit a proposed~~
14 ~~notice, ordinance, or resolution to the department of local government~~
15 ~~finance for review not later than thirty (30) days prior to the date that~~
16 ~~the adopting body or governing body intends to submit the notice,~~
17 ~~adopting ordinance or resolution, and vote results on an ordinance or~~
18 ~~resolution under subsection (d). If the adopting body or other~~
19 ~~governmental entity wishes to submit the proposed notice, ordinance,~~
20 ~~or resolution to the department of local government finance for review,~~
21 ~~the adopting body or other governmental entity shall submit the~~
22 ~~proposed notice, ordinance, or resolution to the department of local~~
23 ~~government finance on the prescribed forms. The department of local~~
24 ~~government finance shall provide to the submitting entity a~~
25 ~~determination of the appropriateness of the proposed notice, ordinance,~~
26 ~~or resolution, including recommended modifications, within thirty (30)~~
27 ~~days of receiving the proposed notice, ordinance, or resolution.~~

28 (c) An ordinance or resolution adopted under this article must
29 comply with the notice and hearing requirements set forth in IC 5-3-1.

30 (d) The department of local government finance shall prescribe the
31 procedures to be used by the adopting body or governmental entity for
32 submitting to the department the notice, the adopting ordinance or
33 resolution, and the vote results on an ordinance or resolution. The
34 department of local government finance shall notify the submitting
35 entity within thirty (30) days after submission whether the department
36 has received the necessary information required by the department. A
37 final action taken by an adopting body or governmental entity under
38 this article to impose a new tax or amend an existing tax is not effective
39 until the department of local government finance notifies the adopting
40 body or governmental entity that it has received the required
41 information from the submitting entity.

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1 (e) Not later than July 1 of each calendar year, the county
2 auditor shall certify to the department of local government finance
3 and to the state GIS officer which taxing units comprise each
4 taxing district in the county.

5 SECTION 81. IC 6-3.6-3-2.5 IS ADDED TO THE INDIANA
6 CODE AS A NEW SECTION TO READ AS FOLLOWS
7 [EFFECTIVE JULY 1, 2027]: Sec. 2.5. (a) As used in this section,
8 "debt service obligations" refers to:

9 (1) the principal and interest payable during a calendar year
10 on bonds;

11 (2) lease rental payments payable during a calendar year on
12 leases; and

13 (3) any amount required under an agreement for bonds or
14 leases to be deposited in a sinking fund or other reserve
15 during a calendar year;

16 of a county, city, or town payable from local income taxes.

17 (b) Before August 1 of each calendar year, the fiscal officer of
18 each county, city, and town shall provide the department of local
19 government finance with the total amount of the county's, city's, or
20 town's debt service obligations payable from local income tax
21 revenues that will be due in the ensuing calendar year and, upon
22 request by the department of local governing finance, any
23 additional ensuing calendar years.

24 (c) The department of local government finance shall annually
25 determine whether each county, city, or town with debt service
26 obligations due in the ensuing year has timely submitted to the
27 department of local government finance the information required
28 under this section.

29 SECTION 82. IC 6-3.6-3-3, AS AMENDED BY P.L.68-2025,
30 SECTION 103, IS AMENDED TO READ AS FOLLOWS
31 [EFFECTIVE JULY 1, 2028]: Sec. 3. (a) Except as provided in
32 subsection (f), an ordinance adopted by a county under this article takes
33 effect as provided in this section.

34 (b) An ordinance that adopts, increases, decreases, or rescinds a
35 tax or a tax rate takes effect as follows:

36 (1) An ordinance adopted on or before October 1 of a calendar
37 year shall take effect on January 1 of the calendar year that
38 immediately succeeds the year in which the ordinance is
39 adopted.

40 (2) An ordinance adopted after October 1 of a calendar year shall
41 take effect on January 1 of the second succeeding calendar year
42 following the year the ordinance is adopted.

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1 However, an ordinance adopted to impose a tax rate under
2 IC 6-3.6-6-2(b)(3) or IC 6-3.6-6-2(b)(4) must be adopted on or before
3 October 1 of a calendar year.

4 (c) An ordinance that grants, increases, decreases, rescinds, or
5 changes a credit against the property tax liability of a taxpayer under
6 IC 6-3.6-5 (before its expiration) takes effect as follows:

7 (1) An ordinance adopted after December 31 of the immediately
8 preceding year and before November 2 of the current year takes
9 effect on January 1 of, and applies to property taxes first due and
10 payable in, the year immediately following the year in which the
11 ordinance is adopted.

12 (2) An ordinance adopted after November 1 of the current year
13 and before January 1 of the immediately succeeding year takes
14 effect on January 1 of, and applies to property taxes first due and
15 payable in, the year that follows the current year by two (2)
16 years.

17 This subsection expires December 31, ~~2027~~. **2028**.

18 (d) An ordinance that grants, increases, decreases, rescinds, or
19 changes a distribution or allocation of taxes takes effect as follows:

20 (1) An ordinance adopted on or before October 1 of a calendar
21 year shall take effect on January 1 of the calendar year that
22 immediately succeeds the year in which the ordinance is
23 adopted.

24 (2) An ordinance adopted after October 1 of a calendar year shall
25 take effect on January 1 of the second succeeding calendar year
26 following the year the ordinance is adopted.

27 (e) An ordinance not described in subsections (b) through (d) takes
28 effect as provided under IC 36 for other ordinances of the
29 governmental entity adopting the ordinance.

30 (f) An ordinance described in section 7(e) or 7.5(e) of this chapter
31 that changes a tax rate or changes the allocation of revenue received
32 from a tax rate does not take effect as provided under this section if the
33 county adopting body fails to meet the required deadlines for notice
34 described in section 7(e) or 7.5(e) of this chapter. If an ordinance does
35 not take effect, the tax rate or allocation, as applicable, that is subject
36 to the proposed change in the ordinance shall be the lesser of the:

37 (1) applicable distribution schedule for the certified distribution
38 for the upcoming calendar year; or

39 (2) applicable distribution schedule for the certified distribution
40 for the current calendar year;

41 unless, or until, a subsequent ordinance is adopted and the required

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1 deadlines for notice described in section 7(e) or 7.5(e) of this chapter
2 are met. This subsection expires January 1, 2025.

3 SECTION 83. IC 6-3.6-3-4, AS AMENDED BY P.L.68-2025,
4 SECTION 105, IS AMENDED TO READ AS FOLLOWS
5 [EFFECTIVE JULY 1, 2028]: Sec. 4. (a) Except for a tax rate that has
6 an expiration date, and except as provided in section 3(f) of this chapter
7 (before its expiration), a tax rate remains in effect until the effective
8 date of an ordinance that increases, decreases, or rescinds that tax rate.

9 (b) A tax rate may not be changed more than once each year under
10 this article.

11 (c) A local income tax expenditure tax rate that is imposed in a
12 county under IC 6-3.6-6 continues in effect after December 31, ~~2027~~,
13 **2028**, only if the adopting body adopts an ordinance to renew the
14 expenditure tax rate beginning January 1, ~~2028~~: **2029**. **However, if**
15 **there are bonds or leases outstanding that are payable from a tax**
16 **imposed under IC 6-3.6-6, the expenditure tax rate for the county**
17 **beginning January 1, 2028, under IC 6-3.6-2(b)(1) shall be at**
18 **least the minimum tax rate necessary to produce one and**
19 **twenty-five hundredths (1.25) times the sum of the:**

20 (1) highest annual outstanding debt service;

21 (2) highest annual lease payments; and

22 (3) any amount required under the agreements for the bonds
23 or leases to be deposited in a sinking fund or other reserve;

24 **but only until the maturity date of those debt obligations.** An
25 ordinance under this subsection must be adopted by the adopting body
26 on or before October 1, ~~2027~~, **2028**, as set forth in section 3(b)(1) of
27 this chapter. However, this subsection shall not be construed to prohibit
28 an adopting body that fails to adopt an ordinance to continue an
29 expenditure tax rate after December 31, ~~2027~~, **2028**, from adopting an
30 ordinance under this article to impose, renew, or modify an expenditure
31 tax rate under IC 6-3.6-6 beginning January 1, ~~2029~~, **2030**, or any year
32 thereafter.

33 SECTION 84. IC 6-3.6-3-5, AS AMENDED BY P.L.223-2025,
34 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
35 UPON PASSAGE]: Sec. 5. (a) The auditor of a county shall record all
36 votes taken on ordinances presented for a vote under this article and
37 not more than ten (10) days after the vote, send a certified copy of the
38 results to:

39 (1) the commissioner of the department of state revenue; and

40 (2) the commissioner of the department of local government
41 finance;

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1 in an electronic format approved by the commissioner of the
2 department of local government finance.

3 (b) Except as provided in subsection (c), this subsection applies
4 only to a county that has a local income tax council. The county auditor
5 may cease sending certified copies after the county auditor sends a
6 certified copy of results showing that members of the local income tax
7 council have cast a majority of the votes on the local income tax
8 council for or against the proposed ordinance.

9 (c) This subsection applies only to a county with a single voting
10 bloc that proposes to increase (but not decrease) a tax rate in the
11 county. The county auditor may cease sending certified copies of the
12 votes on the local income tax council voting as a whole under section
13 9.5 of this chapter after the county auditor sends a certified copy of
14 results showing that the individuals who sit on the fiscal bodies of the
15 county, cities, and towns that are members of the local income tax
16 council have cast a majority of the votes on the local income tax
17 council voting as a whole under section 9.5 of this chapter for or
18 against the proposed ordinance. This subsection expires May 31, ~~2027~~.
19 **2028.**

20 SECTION 85. IC 6-3.6-3-5, AS AMENDED BY P.L.223-2025,
21 SECTION 5, AND AS AMENDED BY P.L.68-2025, SECTION 106,
22 AND AS AMENDED BY THE TECHNICAL CORRECTIONS BILL
23 OF THE 2026 GENERAL ASSEMBLY, IS CORRECTED AND
24 AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2028]:
25 Sec. 5. ~~(a)~~ The auditor of a county (*or the fiscal officer of a*
26 *municipality in the case of a local income tax imposed under*
27 *IC 6-3.6-6-22)* shall record all votes taken on ordinances presented for
28 a vote under this article and not more than ten (10) days after the vote,
29 send a certified copy of the results to:

- 30 (1) the commissioner of the department of state revenue; and
- 31 (2) the commissioner of the department of local government
32 finance;

33 in an electronic format approved by the commissioner of the
34 department of local government finance.

35 *(b) Except as provided in subsection (c), this subsection applies*
36 *only to a county that has a local income tax council. The county*
37 *auditor may cease sending certified copies after the county auditor*
38 *sends a certified copy of results showing that members of the local*
39 *income tax council have cast a majority of the votes on the local*
40 *income tax council for or against the proposed ordinance.*

41 *(c) This subsection applies only to a county with a single voting*

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1 *bloc that proposes to increase (but not decrease) a tax rate in the*
2 *county. The county auditor may cease sending certified copies of the*
3 *votes on the local income tax council voting as a whole under section*
4 *9.5 of this chapter after the county auditor sends a certified copy of*
5 *results showing that the individuals who sit on the fiscal bodies of the*
6 *county, cities, and towns that are members of the local income tax*
7 *council have cast a majority of the votes on the local income tax*
8 *council voting as a whole under section 9.5 of this chapter for or*
9 *against the proposed ordinance. This subsection expires May 31, 2028.*

10 SECTION 86. IC 6-3.6-3-6, AS AMENDED BY P.L.223-2025,
11 SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
12 UPON PASSAGE]: Sec. 6. (a) This section applies to a county in
13 which the county adopting body is a local income tax council.

14 (b) In the case of a city or town that lies within more than one (1)
15 county, the county auditor of each county shall base the allocations
16 required by subsections (d) and (e) on the population of that part of the
17 city or town that lies within the county for which the allocations are
18 being made.

19 (c) Each local income tax council has a total of one hundred (100)
20 votes.

21 (d) Each county, city, or town that is a member of a local income
22 tax council is allocated a percentage of the total one hundred (100)
23 votes that may be cast. The percentage that a city or town is allocated
24 for a year equals the same percentage that the population of the city or
25 town bears to the population of the county. The percentage that the
26 county is allocated for a year equals the same percentage that the
27 population of all areas in the county not located in a city or town bears
28 to the population of the county.

29 (e) This subsection applies only to a county with a single voting
30 bloc. Each individual who sits on the fiscal body of a county, city, or
31 town that is a member of the local income tax council is allocated for
32 a year the number of votes equal to the total number of votes allocated
33 to the particular county, city, or town under subsection (d) divided by
34 the number of members on the fiscal body of the county, city, or town.
35 This subsection expires May 31, ~~2027~~. **2028.**

36 (f) On or before January 1 of each year, the county auditor shall
37 certify to each member of the local income tax council the number of
38 votes, rounded to the nearest one hundredth (0.01), each member has
39 for that year.

40 (g) This subsection applies only to a county with a single voting
41 bloc. On or before January 1 of each year, in addition to the

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1 certification to each member of the local income tax council under
2 subsection (f), the county auditor shall certify to each individual who
3 sits on the fiscal body of each county, city, or town that is a member of
4 the local income tax council the number of votes, rounded to the
5 nearest one hundredth (0.01), each individual has under subsection (e)
6 for that year. This subsection expires May 31, ~~2027~~. **2028**.

7 SECTION 87. IC 6-3.6-3-8, AS AMENDED BY P.L.223-2025,
8 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
9 UPON PASSAGE]: Sec. 8. (a) This section applies to a county in
10 which the county adopting body is a local income tax council.

11 (b) Except as provided in subsection (e), any member of a local
12 income tax council may present an ordinance for passage. To do so, the
13 member must adopt a resolution to propose the ordinance to the local
14 income tax council and distribute a copy of the proposed ordinance to
15 the county auditor. The county auditor shall treat any proposed
16 ordinance distributed to the auditor under this section as a casting of all
17 that member's votes in favor of the proposed ordinance.

18 (c) Except as provided in subsection (f), the county auditor shall
19 deliver copies of a proposed ordinance the auditor receives to all
20 members of the local income tax council within ten (10) days after
21 receipt. Subject to subsection (d), once a member receives a proposed
22 ordinance from the county auditor, the member shall vote on it within
23 thirty (30) days after receipt.

24 (d) Except as provided in subsection (h), if, before the elapse of
25 thirty (30) days after receipt of a proposed ordinance, the county
26 auditor notifies the member that the members of the local income tax
27 council have cast a majority of the votes on the local income tax
28 council for or against the proposed ordinance the member need not
29 vote on the proposed ordinance.

30 (e) This subsection applies only to a county with a single voting
31 bloc that proposes to increase (but not decrease) a tax rate in the
32 county. The fiscal body of any county, city, or town that is a member
33 of a local income tax council may adopt a resolution to propose an
34 ordinance to increase a tax rate in the county to be voted on by the local
35 income tax council as a whole as required under section 9.5 of this
36 chapter and distribute a copy of the proposed ordinance to the county
37 auditor. The county auditor shall treat the vote tally on the resolution
38 adopted under this subsection for each individual who is a member of
39 the fiscal body of the county, city, or town as the voting record for that
40 individual either for or against the ordinance being proposed for
41 consideration by the local income tax council as a whole under section

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1 9.5 of this chapter. This subsection expires May 31, ~~2027~~. **2028.**
2 (f) This subsection applies only to a county with a single voting
3 bloc that proposes to increase (but not decrease) a tax rate in the
4 county. The county auditor shall deliver copies of a proposed ordinance
5 the auditor receives under subsection (e) to the fiscal officers of all
6 members of the local income tax council (other than the member
7 proposing the ordinance under subsection (e)) within ten (10) days
8 after receipt. Subject to subsection (h), once a member receives a
9 proposed ordinance from the county auditor, the member shall vote on
10 it within thirty (30) days after receipt. This subsection expires May 31,
11 ~~2027~~. **2028.**
12 (g) This subsection applies only to a county with a single voting
13 bloc that proposes to increase (but not decrease) a tax rate in the
14 county. The fiscal body of each county, city, or town voting on a
15 resolution to propose an ordinance under subsection (e), or voting on
16 a proposed ordinance being considered by the local income tax council
17 as a whole under section 9.5 of this chapter, must take a roll call vote
18 on the resolution or the proposed ordinance. If an individual who sits
19 on the fiscal body is absent from the meeting in which a vote is taken
20 or abstains from voting on the resolution or proposed ordinance, the
21 fiscal officer of the county, city, or town shall nevertheless consider
22 that individual's vote as a "no" vote against the resolution or the
23 proposed ordinance being considered, whichever is applicable, for
24 purposes of the vote tally under this section and shall note on the vote
25 tally that the individual's "no" vote is due to absence or abstention. The
26 fiscal body of each county, city, or town shall certify the roll call vote
27 on a resolution or a proposed ordinance, either for or against, to the
28 county auditor as set forth under this chapter. This subsection expires
29 May 31, ~~2027~~. **2028.**
30 (h) This subsection applies only to a county with a single voting
31 bloc that proposes to increase (but not decrease) a tax rate in the
32 county. If, before the elapse of thirty (30) days after receipt of a
33 proposed ordinance under subsection (e), the county auditor notifies
34 the member that the individuals who sit on the fiscal bodies of the
35 county, cities, and towns that are members of the local income tax
36 council have cast a majority of the votes on the local income tax
37 council for or against a proposed ordinance voting as a whole under
38 section 9.5 of this chapter, the member need not vote on the proposed
39 ordinance under subsection (e). This subsection expires May 31, ~~2027~~.
40 **2028.**
41 SECTION 88. IC 6-3.6-3-9.5, AS AMENDED BY P.L.68-2025,

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1 SECTION 111, AND P.L.223-2025, SECTION 8, IS AMENDED TO
2 READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 9.5. (a)

3 This section applies to a county:

- 4 (1) in which the county adopting body is a local income tax
5 council;
6 (2) that is a county with a single voting bloc; and
7 (3) that proposes to increase a tax rate in the county.

8 However, the provisions under section 9 of this chapter shall apply to
9 a county described in subdivisions (1) and (2) that proposes to decrease
10 a tax rate in the county.

11 (b) A local income tax council described in subsection (a) must
12 vote as a whole to exercise its authority to increase a tax rate under this
13 article.

14 (c) A resolution passed by the fiscal body of a county, city, or town
15 that is a member of the local income tax council exercises the vote of
16 each individual who sits on the fiscal body of the county, city, or town
17 on the proposed ordinance, and the individual's vote may not be
18 changed during the year.

19 (d) This section expires May 31, ~~2027~~: **2028**.

20 SECTION 89. IC 6-3.6-3-12 IS ADDED TO THE INDIANA
21 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
22 [EFFECTIVE JULY 1, 2028]: **Sec. 12. (a) This section applies to an**
23 **ordinance adopted under this article after June 30, 2028.**

24 (b) **This subsection applies only to an ordinance adopted**
25 **between January 1 and August 2 of a calendar year or October 2**
26 **and December 31 of a calendar year. If an adopting body adopts an**
27 **ordinance to impose a local income tax under:**

- 28 (1) IC 6-3.6-2(b)(1) through IC 6-3.6-2(b)(4);
29 (2) IC 6-3.6-22; or
30 (3) IC 6-3.6-7;

31 **that exceeds the applicable maximum tax rate or applicable**
32 **maximum aggregate tax rate allowable pursuant to IC 6-3.6-2,**
33 **IC 6-3.6-22, or IC 6-3.6-7, the department of local government**
34 **finance shall notify the adopting body and county fiscal officer or**
35 **municipal fiscal officer, as applicable, not later than thirty (30)**
36 **days after the adopting body submits the ordinance and**
37 **information required under IC 6-3.6-2 that one (1) or more tax**
38 **rates exceed the maximum allowable tax rate.**

39 (c) **This subsection applies only to an ordinance adopted**
40 **between January 1 and August 2 of a calendar year or October 2**
41 **and December 31 of a calendar year. Not later than thirty (30) days**
42 **after receiving a notification under subsection (b) from the**

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1 department of local government finance, the adopting body may
 2 adopt an ordinance correcting the applicable tax rate or tax rates.
 3 The following apply to an ordinance adopted under this subsection:
 4 (1) Any statutory requirements for an ordinance that
 5 otherwise apply to an ordinance adopted under this article
 6 to impose a local income tax rate also apply to an ordinance
 7 adopted under this subsection.
 8 (2) If the tax rate or tax rates adopted in an ordinance
 9 adopted under this subsection still exceed a maximum
 10 allowable tax rate or maximum allowable aggregate tax rate,
 11 the ordinance adopted under this subsection shall be
 12 considered void and treated as if the adopting body did not
 13 adopt any additional ordinance under this subsection.
 14 (3) An ordinance adopted under this subsection has the same
 15 effective date as the initial ordinance described in subsection
 16 (b).
 17 (d) If an adopting body adopts an ordinance between August
 18 3 and October 1 of a calendar year to impose a local income tax
 19 that exceeds a maximum allowable tax rate or rates, fails to adopt
 20 an ordinance correcting the applicable tax rate or tax rates under
 21 subsection (c), or, the ordinance is described in subsection (c)(2),
 22 the tax rate or rates will be reduced according to the following:
 23 (1) If a tax rate or tax rates imposed pursuant to
 24 IC 6-3.6-6-2(b)(1) through IC 6-3.6-6-2(b)(4), IC 6-3.6-6-22,
 25 or IC 6-3.6-7 exceed the maximum allowable rate specified
 26 in IC 6-3.6-6-2(b)(1) through IC 6-3.6-6-2(b)(4),
 27 IC 6-3.6-6-22, or IC 6-3.6-7, the tax rate or tax rates that
 28 exceed the maximum allowable rate shall be reduced to the
 29 maximum allowable rate without further action by the
 30 adopting body.
 31 (2) If the aggregate tax rates imposed pursuant to
 32 IC 6-3.6-6-2(b)(1) through IC 6-3.6-6-2(b)(3) exceed the
 33 maximum allowable aggregate rate in IC 6-3.6-6-2(c), the tax
 34 rates shall be reduced without any further action by the
 35 adopting body according to the following:
 36 (A) Any portion of the aggregate tax rate that exceeds
 37 the maximum allowable rate shall first be applied by
 38 reducing the tax rate imposed under IC 6-3.6-6-2(b)(1),
 39 but may not reduce the rate below the tax rate otherwise
 40 required under this article.
 41 (B) Any remaining portion of the aggregate tax rate that
 42 exceeds the maximum allowable rate after the reduction

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1 in clause (A) shall be applied to reduce the tax rates
2 imposed under IC 6-3.6-6-2(b)(2) and IC 6-3.6-6-2(b)(3)
3 in proportion to the total rates imposed under
4 IC 6-3.6-6-2(b)(2) and IC 6-3.6-6-2(b)(3).

5 (3) If the tax rate or rates exceed both the maximum
6 allowable rate specified in IC 6-3.6-6-2(b)(1) through
7 IC 6-3.6-6-2(b)(3) and the maximum allowable aggregate tax
8 rate in IC 6-3.6-6-2(c), the tax rates shall first be reduced in
9 the manner set forth in subdivision (1) before application of
10 the reduction manner set forth in subdivision (2).

11 (4) Any tax rate reduction under this subsection has the same
12 effective date as the initial ordinance described in subsection
13 (b).

14 SECTION 90. IC 6-3.6-5-7, AS ADDED BY P.L.68-2025,
15 SECTION 116, IS AMENDED TO READ AS FOLLOWS
16 [EFFECTIVE JULY 1, 2028]: Sec. 7. This chapter expires December
17 31, ~~2027~~. 2028.

18 SECTION 91. IC 6-3.6-6-2, AS AMENDED BY P.L.68-2025,
19 SECTION 118, IS AMENDED TO READ AS FOLLOWS
20 [EFFECTIVE JULY 1, 2028]: Sec. 2. (a) This section applies to all
21 counties.

22 (b) The adopting body may by ordinance and subject to
23 subsections (c) through (e) impose one (1) or more of the following
24 component rates not to exceed a total expenditure tax rate under this
25 chapter of two and nine-tenths percent (2.9%) on the adjusted gross
26 income of taxpayers who reside in the county, **or, in the case of a team
27 member or race team member described in IC 6-3.6-2-13(3), on the
28 adjusted gross income earned as a team member or race team
29 member in the county:**

30 (1) A tax rate not to exceed one and two-tenths percent (1.2%)
31 for general purpose revenue for county services (as provided in
32 section 4 of this chapter), subject to subsection (c).

33 (2) A tax rate not to exceed four-tenths of one percent (0.4%) for
34 providers of fire protection ~~and~~ or emergency medical services
35 located within the county (as provided in section 4.3 of this
36 chapter), subject to subsection (c).

37 (3) A tax rate not to exceed two-tenths of one percent (0.2%) for
38 general purpose revenue for distribution to nonmunicipal civil
39 taxing units (excluding fire protection districts) located within
40 the county (as provided in section 4.5 of this chapter), subject to
41 subsection (c).

42 (4) A tax rate not to exceed one and two-tenths percent (1.2%)

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1 for general purpose revenue for municipal services for
2 distribution to municipalities located within the county that are
3 not eligible to adopt a municipal tax rate under section 22 of this
4 chapter. ~~or that have made an election under section 23(b)(3) of~~
5 ~~this chapter to be treated as such.~~ **The adopting body shall**
6 **identify in the ordinance each taxing district in which the tax**
7 **rate under this subdivision is imposed.**

8 (c) The combined component rates imposed by an adopting body
9 under subsection (b)(1) through (b)(3) shall not exceed one and
10 seven-tenths percent (1.7%).

11 (d) A tax rate adopted under subsection (b)(4) may only be
12 imposed on taxpayers who do not reside in a municipality that is
13 eligible to adopt a municipal tax rate under section 22 of this chapter.
14 **In the case of a team member or race team member described in**
15 **IC 6-3.6-2-13(3), a tax rate adopted under subsection (b)(4) may**
16 **only be imposed on services performed as a team member or race**
17 **team member at a location if the county could impose the tax rate**
18 **on an individual residing at that location.**

19 (e) ~~Beginning after December 31, 2030;~~ A tax rate imposed under
20 subsection (b) ~~shall expire~~ **expires** on December 31, **2032, and on**
21 **December 31** of each calendar year **thereafter**. An adopting body
22 wishing to continue, increase, or decrease a tax rate ~~in~~ **for** the
23 succeeding year must pass an ordinance to readopt a tax rate in
24 accordance with IC 6-3.6-3-3. This subsection applies regardless of
25 whether there is a modification in the tax rate or the component rates
26 or the rates are unchanged from the previous year.

27 (f) **Notwithstanding subsection (e) or any other provision of**
28 **this article, if there are bonds, leases, or other obligations payable**
29 **from a tax imposed under subsection (b)(1) or (b)(4), the**
30 **expenditure tax rate for the county under subsection (b)(1) or**
31 **(b)(4) for a calendar year shall be the minimum tax rate necessary**
32 **to produce one and twenty-five hundredths (1.25) times the sum of**
33 **the:**

- 34 (1) **highest annual outstanding debt service;**
- 35 (2) **highest annual lease payments; and**
- 36 (3) **any amount required under the agreements for the bonds**
37 **or leases to be deposited in a sinking fund or other reserve;**
38 **for the calendar year payable from the applicable component rate.**

39 SECTION 92. IC 6-3.6-6-3, AS AMENDED BY P.L.137-2024,
40 SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
41 JULY 1, 2026]: Sec. 3. (a) Revenue raised from a tax imposed under
42 this chapter shall be treated as follows:

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- 1 (1) To make the following distributions:
- 2 (A) If an ordinance described in section 2.5 of this chapter
- 3 is in effect in a county, to make a distribution to the county
- 4 equal to the amount of revenue generated by the rate
- 5 imposed under section 2.5 of this chapter.
- 6 (B) If an ordinance described in section 2.6 of this chapter
- 7 is in effect in a county, to make a distribution to the county
- 8 equal to the amount of revenue generated by the rate
- 9 imposed under section 2.6 of this chapter.
- 10 (C) If an ordinance described in section 2.7 of this chapter
- 11 is in effect in a county, to make a distribution to the county
- 12 equal to the amount of revenue generated by the rate
- 13 imposed under section 2.7 of this chapter.
- 14 (D) If an ordinance described in section 2.8 of this chapter
- 15 is in effect in a county, to make a distribution to the county
- 16 equal to the amount of revenue generated by the rate
- 17 imposed under section 2.8 of this chapter.
- 18 **(E) If an ordinance described in section 2.9 of this**
- 19 **chapter (before its repeal) is in effect in a county, to**
- 20 **make a distribution to the county equal to the amount of**
- 21 **revenue generated by the rate imposed under section 2.9**
- 22 **of this chapter.**
- 23 **(F) If an ordinance described in section 3.1 of this**
- 24 **chapter (before its expiration) is in effect in a county, to**
- 25 **make a distribution to the county equal to the amount of**
- 26 **revenue generated by the rate imposed under section 3.1**
- 27 **of this chapter.**
- 28 (2) After making the distributions described in subdivision (1),
- 29 if any, to make distributions to school corporations and civil
- 30 taxing units in counties that formerly imposed a tax under
- 31 IC 6-3.5-1.1 (repealed). The revenue categorized from the next
- 32 twenty-five hundredths percent (0.25%) of the rate for a former
- 33 tax adopted under IC 6-3.5-1.1 (repealed) shall be allocated to
- 34 school corporations and civil taxing units. The amount of the
- 35 allocation to a school corporation or civil taxing unit shall be
- 36 determined using the allocation amounts for civil taxing units
- 37 and school corporations in the county.
- 38 (3) After making the distributions described in subdivisions (1)
- 39 and (2), the remaining revenue shall be treated as additional
- 40 revenue (referred to as "additional revenue" in this chapter).
- 41 Additional revenue may not be considered by the department of
- 42 local government finance in determining:

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1 (A) any taxing unit's maximum permissible property tax
 2 levy limit under IC 6-1.1-18.5; or
 3 (B) the approved property tax rate for any fund.
 4 (b) In the case of a civil taxing unit that has pledged the tax from
 5 additional revenue for the payment of bonds, leases, or other
 6 obligations as reported by the civil taxing unit under IC 5-1-18, the
 7 adopting body may not, under section 4 of this chapter, reduce the
 8 proportional allocation of the additional revenue that was allocated in
 9 the preceding year if the reduction for that year would result in an
 10 amount less than the amount necessary for the payment of bonds,
 11 leases, or other obligations payable or required to be deposited in a
 12 sinking fund or other reserve in that year for the bonds, leases, or other
 13 obligations for which the tax from additional revenue has been pledged.
 14 To inform an adopting body with regard to allocations that affect the
 15 payment of bonds, leases, or other obligations, a taxing unit may
 16 provide the adopting body with information regarding any outstanding
 17 bonds, leases, or other obligations that are secured by additional
 18 revenue. The information must be provided before the date of the
 19 public hearing at which the adopting body may change the allocation
 20 of additional revenue under section 4 of this chapter.
 21 SECTION 93. IC 6-3.6-6-3.1, AS ADDED BY P.L.68-2025,
 22 SECTION 125, IS AMENDED TO READ AS FOLLOWS
 23 [EFFECTIVE JULY 1, 2025 (RETROACTIVE)]: Sec. 3.1. (a) As used
 24 in this section, "homestead" has the meaning set forth in
 25 IC 6-1.1-12-37.
 26 (b) A county fiscal body may adopt an ordinance to impose a tax
 27 rate for the purpose of funding property tax homestead credits to reduce
 28 the property tax liability of taxpayers who own homesteads that are:
 29 (1) located in the county; and
 30 (2) eligible for a credit under IC 6-1.1-20.6-7.5 that limits the
 31 taxpayer's property tax liability for the property to one percent
 32 (1%).
 33 Revenue collected from a tax rate imposed under this section may only
 34 be used to fund replacement of the county's property tax levy. Property
 35 taxes imposed due to a referendum in which a majority of the voters in
 36 the taxing unit imposing the property taxes approved the property taxes
 37 are not eligible for a credit under this section.
 38 (c) The tax rate must be in increments of one-hundredth of one
 39 percent (0.01%) and may not exceed three-tenths of one percent
 40 (0.3%).
 41 (d) A tax imposed under this section shall be treated as property

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1 taxes for all purposes. However, the department of local government
 2 finance may not reduce:
 3 (1) any taxing unit's maximum permissible property tax levy
 4 limit under IC 6-1.1-18.5; or
 5 (2) the approved property tax levy or rate for any fund;
 6 by the amount of any credits granted under this chapter.
 7 (e) The homestead credits shall be applied to the net property taxes
 8 due on the homestead after the application of any credit granted under
 9 IC 6-1.1, including any credit granted under IC 6-1.1-20.4 and
 10 IC 6-1.1-20.6.
 11 (f) The property tax credits must be applied uniformly to provide
 12 a homestead credit for homesteads in the county.
 13 (g) The county auditor shall allocate the amount of revenue
 14 applied as tax credits under this section to the taxing units that imposed
 15 the eligible property taxes against which the credits are applied.
 16 (h) The department of local government finance shall assist county
 17 fiscal bodies and county auditors in calculating credit percentages and
 18 amounts.
 19 (i) Notwithstanding any provision to the contrary in this chapter,
 20 a tax imposed under this section:
 21 (1) may be imposed on the adjusted gross income of taxpayers
 22 before January 1, ~~2028~~; **2029**; and
 23 (2) terminates and may not be imposed on the adjusted gross
 24 income of taxpayers after December 31, ~~2027~~; **2028**.
 25 (j) This section expires January 1, ~~2028~~; **2029**.
 26 SECTION 94. IC 6-3.6-6-4, AS AMENDED BY P.L.68-2025,
 27 SECTION 126, IS AMENDED TO READ AS FOLLOWS
 28 [EFFECTIVE JULY 1, 2028]: Sec. 4. (a) General purpose revenue
 29 raised from a tax rate under section 2(b)(1) of this chapter must be
 30 distributed directly to the county. The money may be used by the
 31 county fiscal body for any of the purposes of the county, including for:
 32 (1) public safety, including funding for a PSAP;
 33 (2) economic development purposes described in IC 6-3.6-10;
 34 (3) acute care hospitals;
 35 (4) correctional facilities and rehabilitation facilities; **and**
 36 (5) county staff expenses of the state judicial system. ~~and~~
 37 (6) ~~homestead property tax credits to fund replacement of the~~
 38 ~~county's property tax levy.~~
 39 (b) **Subject to sections 3 and 5 of this chapter**, the adopting body
 40 shall, by ordinance, determine how general purpose revenue from a tax
 41 under this chapter must be allocated in subsequent years. The

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1 allocations are subject to IC 6-3.6-11. The ordinance must be adopted
2 as provided in IC 6-3.6-3 and takes effect and applies as specified in
3 IC 6-3.6-3-3. The ordinance continues to apply thereafter until it is
4 rescinded or modified.

5 SECTION 95. IC 6-3.6-6-4.3, AS ADDED BY P.L.68-2025,
6 SECTION 127, IS AMENDED TO READ AS FOLLOWS
7 [EFFECTIVE JULY 1, 2028]: Sec. 4.3. (a) Revenue raised from a tax
8 rate for fire protection ~~and or~~ emergency medical services under
9 section 2(b)(2) of this chapter shall be distributed by the county ~~to~~
10 **among the county and** each fire protection district, fire protection
11 territory, and municipal fire department located within the county **that**
12 **provides fire protection, emergency medical services, or both in the**
13 **county. Except as provided in subsection (b),** at the discretion of the
14 county council, the county may distribute revenue raised from a tax rate
15 for fire protection ~~and or~~ emergency medical services under section
16 2(b)(2) of this chapter to township fire departments and volunteer fire
17 departments **that provide fire protection, emergency medical**
18 **services, or both in the county.**

19 (b) Revenue raised from a tax rate for fire protection and
20 emergency medical services under section 2(b)(2) of this chapter shall
21 be allocated to each fire protection district, fire protection territory,
22 municipal fire department, and, if applicable, township fire
23 departments and volunteer fire departments; based on the following
24 formula:

25 STEP ONE: For each provider of fire protection and emergency
26 medical services located within the county that is eligible to
27 receive revenue under this section; determine the population
28 living within the service boundaries of the provider using the
29 most recent federal decennial census:

30 STEP TWO: For each provider of fire protection and emergency
31 medical services located within the county that is eligible to
32 receive revenue under this section; determine the number of
33 square miles within the service boundaries of the provider:

34 STEP THREE: For each provider of fire protection and
35 emergency medical services located within the county that is
36 eligible to receive revenue under this section; determine the
37 product of:

38 (A) the STEP TWO amount; multiplied by

39 (B) twenty (20):

40 STEP FOUR: For each provider of fire protection and
41 emergency medical services located within the county that is

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1 eligible to receive revenue under this section; determine the sum
 2 of:
 3 (A) the STEP ONE result; plus
 4 (B) the STEP THREE result.
 5 STEP FIVE: Determine the sum total of the STEP FOUR results
 6 for each provider of fire protection and emergency medical
 7 services located within the county that is eligible to receive
 8 revenue under this section.
 9 STEP SIX: The percentage of revenue that shall be distributed
 10 to each provider of fire protection and emergency medical
 11 services located within the county that is eligible to receive
 12 revenue under this section is equal to:
 13 (A) the STEP FOUR result for the provider; divided by
 14 (B) the STEP FIVE result.
 15 (b) Subject to subsection (d), the county may determine the
 16 allocation method for revenue raised from a tax rate for fire
 17 protection or emergency medical services under section 2(b)(2) of
 18 this chapter. However, in determining the allocation method, the
 19 county shall, for each provider of fire protection, emergency
 20 medical services, or both in the county, consider the service
 21 boundaries of the provider and the population living within the
 22 service boundaries of the provider using the most recent federal
 23 decennial census.
 24 (c) If at least fifty percent (50%) of fire runs made by a
 25 township fire department during the calendar year preceding by
 26 two (2) years the calendar year in which distribution amounts are
 27 being determined are carried out by full-time firefighters who
 28 receive a salary of at least thirty thousand dollars (\$30,000), the
 29 county shall distribute an allocation of revenue to the township fire
 30 department under this section.
 31 (d) In the case of a county that provides fire protection,
 32 emergency medical services, or both in part of the county, but not
 33 the entire county, only the part of the county in which the county
 34 provides the fire protection, emergency medical services, or both
 35 are considered within the service boundaries for the county.
 36 (e) For purposes of a distribution under this section, a
 37 distribution to a:
 38 (1) fire protection territory shall be made to the provider
 39 unit of the fire protection territory; and
 40 (2) volunteer fire department shall be made to the taxing unit
 41 that is served by the volunteer fire department.
 42 (f) If the population living within the service boundaries of a

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1 provider cannot be determined using data from the United States
 2 Census Bureau, the county may determine an estimated population
 3 based on income tax returns that report a residence located within
 4 the service boundaries of the provider. The county auditor shall
 5 provide the estimated population to the department of local
 6 government finance not later than July 15 of the calendar year that
 7 precedes the calendar year before the year in which the
 8 distribution is made. If the county auditor does not provide an
 9 estimated population under this subsection, the department of local
 10 government finance may use the most recent estimated population
 11 provided by the county auditor or the department of state revenue.

12 SECTION 96. IC 6-3.6-6-4.5, AS AMENDED BY THE
 13 TECHNICAL CORRECTIONS BILL OF THE 2026 GENERAL
 14 ASSEMBLY, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 15 JULY 1, 2028]: Sec. 4.5. (a) Revenue raised from a tax rate for
 16 nonmunicipal civil taxing units under section 2(b)(3) of this chapter
 17 may be distributed by the county to nonmunicipal civil taxing units
 18 subject to the provisions of this section.

19 (b) Subject to the maximum aggregate tax rate of not more than
 20 two-tenths of one percent (0.2%) under section 2(b)(3) of this chapter,
 21 the adopting body may adopt a tax rate for each type of nonmunicipal
 22 civil taxing unit, which may not exceed more than five-hundredths of
 23 one percent (0.05%) for any given unit type. The revenue raised from
 24 a tax rate for a specific type of nonmunicipal civil taxing unit shall be
 25 allocated to all nonmunicipal civil taxing units of that same type
 26 located within the county on a pro rata per capita basis, subject to
 27 ~~subsection (e): subsections (e) and (h).~~

28 (c) A county solid waste management district (as defined in
 29 IC 13-11-2-47) or a joint solid waste management district (as defined
 30 in IC 13-11-2-113) is not an eligible nonmunicipal civil taxing unit for
 31 the purpose of receiving an allocation of general purpose revenue under
 32 this chapter unless a majority of the members of each of the county
 33 fiscal bodies of the counties within the district passes a resolution
 34 approving the distribution.

35 (d) A resolution passed by a county fiscal body under subsection
 36 (c) may:

- 37 (1) expire on a date specified in the resolution; or
- 38 (2) remain in effect until the county fiscal body revokes or
 39 rescinds the resolution.

40 (e) A nonmunicipal civil taxing unit wishing to receive a share of
 41 revenue under this section in a year must adopt a resolution requesting
 42 the distribution from the county and must provide a certified copy of

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1 the resolution to the adopting body **and the state board of accounts**
 2 not later than July 1 of the year immediately preceding the distribution
 3 year. Not later than August 1 of the year immediately preceding the
 4 distribution year, the adopting body shall hold a public hearing on the
 5 resolution requesting the distribution and provide the public with
 6 notice of the time and place where the public hearing will be held. The
 7 notice must be given in accordance with IC 5-3-1 and include a
 8 description of the resolution requesting the distribution from the
 9 county.

10 (f) If a nonmunicipal civil taxing unit adopts a resolution under
 11 ~~this subsection~~ **subsection (e)** and provides the resolution to the
 12 adopting body as set forth in ~~this that~~ subsection, the county shall
 13 distribute to the nonmunicipal civil taxing unit an amount of revenue
 14 raised from the tax rate under section 2(b)(3) of this chapter for the
 15 distribution year as set forth in subsection ~~(f)~~: **(g)**.

16 (g) If one (1) or more, but not all, nonmunicipal civil taxing units
 17 adopt a resolution under subsection (e) requesting a distribution in a
 18 given year, the county may either distribute the total amount of revenue
 19 raised from the tax rate under section 2(b)(3) of this chapter to only
 20 those nonmunicipal civil taxing units that have provided a resolution
 21 request, or the county may distribute the total amount of revenue raised
 22 from a tax rate under section 2(b)(3) of this chapter to all nonmunicipal
 23 civil taxing units as set forth in this section. If no nonmunicipal civil
 24 taxing units adopt a resolution to request a distribution in a given year,
 25 the county may retain the revenue raised from a tax rate for
 26 nonmunicipal civil taxing units for that year and use the revenue as
 27 general purpose revenue for the county under section 4 of this chapter.

28 **(h) If the population living within one (1) or more**
 29 **nonmunicipal civil taxing units cannot be determined using data**
 30 **from the United States Census Bureau, the county may determine**
 31 **an estimated population based on income tax returns that report**
 32 **a residence located within the boundaries of the nonmunicipal civil**
 33 **taxing units. The county auditor shall provide the estimated**
 34 **population to the department of local government finance no later**
 35 **than July 15 of the calendar year that precedes the calendar year**
 36 **before the year in which the distribution is made. If the county**
 37 **auditor does not provide an estimated population under this**
 38 **subsection, the department of local government finance may use**
 39 **the most recent estimated population provided by the county**
 40 **auditor or the department of state revenue.**

41 SECTION 97. IC 6-3.6-6-6.1, AS AMENDED BY THE
 42 TECHNICAL CORRECTIONS BILL OF THE 2026 GENERAL



1 ASSEMBLY, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 2 JULY 1, 2028]: Sec. 6.1. (a) Revenue raised from a tax rate for certain
 3 cities and towns under section 2(b)(4) of this chapter ~~may~~ **shall** be
 4 distributed by the county ~~to those cities and towns~~ subject to the
 5 provisions of this section **and according to the following formula:**
 6 **STEP ONE: Determine the population of each city and town**
 7 **located in the county, excluding the population of any**
 8 **municipality that:**
 9 (A) is eligible to impose a local income tax under section
 10 22 of this chapter; and
 11 (B) did not make an election under section 23(b)(3) of
 12 this chapter.
 13 **STEP TWO: Determine the aggregate sum of the STEP ONE**
 14 **results.**
 15 **STEP THREE: Determine the sum of:**
 16 (A) the STEP TWO result; plus
 17 (B) the population of the unincorporated area of the
 18 county.
 19 **STEP FOUR: Divide the STEP TWO result by the STEP**
 20 **THREE result.**
 21 **STEP FIVE: Multiply the STEP FOUR result by one and**
 22 **five-tenths (1.5), expressed as a percentage.**
 23 **STEP SIX: Multiple the STEP FIVE result by the total**
 24 **amount of revenue raised from the tax rate imposed under**
 25 **section 2(b)(4) of this chapter.**
 26 **STEP SEVEN: For each city and town located in the county**
 27 **that adopted a resolution under subsection (d) for the year,**
 28 **excluding any municipality that is eligible to impose a local**
 29 **income tax under section 22 of this chapter and did not make**
 30 **an election under section 23(b)(3) of this chapter, divide:**
 31 (A) the STEP ONE result for the city or town; by
 32 (B) the STEP TWO result.
 33 **STEP EIGHT: To determine the amount to be allocated to**
 34 **each city and town located in the county that adopted a**
 35 **resolution under subsection (d) for the year, excluding any**
 36 **municipality that is eligible to impose a local income tax**
 37 **under section 22 of this chapter and did not make an election**
 38 **under section 23(b)(3) of this chapter, multiply:**
 39 (A) the STEP SEVEN result for the city or town; by
 40 (B) the STEP SIX result.
 41 **STEP NINE: Determine the aggregate sum of the STEP**
 42 **EIGHT results for each city and town located in the county**

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1 **that adopted a resolution under subsection (d) for the year,**
 2 **excluding any municipality that is eligible to impose a local**
 3 **income tax under section 22 of this chapter and did not make**
 4 **an election under section 23(b)(3) of this chapter.**
 5 **STEP TEN: Determine the result of:**
 6 **(A) the total amount of revenue raised from the tax rate**
 7 **imposed under section 2(b)(4) of this chapter; minus**
 8 **(B) the STEP SIX result.**
 9 **STEP ELEVEN: Determine the result of:**
 10 **(A) the STEP SIX result; minus**
 11 **(B) the STEP NINE result.**
 12 **STEP TWELVE: To determine the amount to be allocated**
 13 **to the county, determine the sum of:**
 14 **(A) the STEP TEN result; plus**
 15 **(B) the STEP ELEVEN result.**
 16 (b) Subject to subsection (g), the revenue raised from a tax rate
 17 under section 2(b)(4) of this chapter shall be allocated to the cities and
 18 towns based on the population of the city or the population of the town,
 19 whichever is applicable, compared to the population of all the cities or
 20 the population of all the towns, whichever is applicable, that are
 21 eligible for a distribution, subject to subsection (d). For purposes of this
 22 determination, ~~section~~, if the boundaries of a city or town are located
 23 in more than one (1) county, only the portion of the population of the
 24 city or town that is located within the county imposing the tax rate
 25 under section 2(b)(4) of this chapter shall be considered.
 26 (c) The money may be used by the city or town fiscal body for any
 27 of the purposes of the city or town, including public safety (as defined
 28 in IC 6-3.6-2-14) and economic development purposes described in
 29 IC 6-3.6-10. The city or town fiscal body may pledge its general
 30 purpose revenue to the payment of bonds or to lease payments as set
 31 forth in this chapter.
 32 (d) An eligible city or town wishing to receive a share of revenue
 33 under this section in a year must adopt a resolution requesting the
 34 distribution from the county and must provide a certified copy of the
 35 resolution to the adopting body **and the state board of accounts** not
 36 later than July 1 of the year immediately preceding the distribution
 37 year. Not later than August 1 of the year immediately preceding the
 38 distribution year, the adopting body shall hold a public hearing on the
 39 resolution requesting the distribution and provide the public with
 40 notice of the time and place where the public hearing will be held. The
 41 notice must be given in accordance with IC 5-3-1 and include a
 42 description of the resolution requesting the distribution from the

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county.
(e) ~~Subject to subsection (g);~~ If an eligible city or town adopts a resolution under ~~this subsection (d)~~ and provides the resolution to the adopting body as set forth in ~~this subsection (d)~~, the county shall distribute to the eligible city or town unit an amount of revenue raised from the tax rate under section 2(b)(4) of this chapter for the distribution year as set forth in ~~subsection (f)~~: **(a). If no eligible city or town adopts a resolution to request a distribution in a given year, the county may retain all of the revenue raised from a tax rate for that year.**

(f) The county may use any money received under this section for the purposes described in section 4 of this chapter.

~~(f) Subject to subsection (g);~~ if one (1) or more, but not all, eligible cities or towns adopt a resolution under subsection (d) requesting a distribution in a given year, the county may either distribute the total amount of revenue raised from the tax rate under section 2(b)(4) of this chapter to only those eligible cities or towns that have provided a resolution request, or the county may distribute the total amount of revenue raised from a tax rate under section 2(b)(4) of this chapter to all eligible cities or towns as set forth in this section. If no eligible city or town adopts a resolution to request a distribution in a given year, the county may retain the revenue raised from a tax rate for the eligible city or town for that year and use the revenue as general purpose revenue for the county under section 4 of this chapter.

(g) Notwithstanding any provision to the contrary in this section; if an adopting body that imposes a tax rate of one and two-tenths percent (1.2%) under section 2(b)(1) of this chapter subsequently adopts an ordinance to concurrently impose a tax rate under section 2(b)(4) of this chapter:

(1) seventy-five percent (75%) of the revenue received from the tax rate imposed under section 2(b)(4) of this chapter shall be retained by the county and may be used for the purposes described in section 4 of this chapter; and

(2) twenty-five percent (25%) of the revenue received from the tax rate imposed under section 2(b)(4) of this chapter shall be distributed among the eligible cities and towns as set forth in this section and may be used for the purposes set forth in this section.

However, the adopting body may, by ordinance, determine to allocate any percentage of the revenue that would otherwise be retained by the county under subdivision (1) to instead be allocated among the eligible cities and towns under subdivision (2).

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1 SECTION 98. IC 6-3.6-6-21.3, AS AMENDED BY P.L.68-2025,
 2 SECTION 146, IS AMENDED TO READ AS FOLLOWS
 3 [EFFECTIVE JULY 1, 2028]: Sec. 21.3. (a) This section applies to
 4 distributions of revenue before January 1, ~~2028~~ **2029**. This section:

5 (1) does not apply to:

6 (A) distributions made under this chapter to a civil taxing
 7 unit for fire protection services within a fire protection
 8 territory established under IC 36-8-19; or

9 (B) distributions of revenue under section 9 of this chapter
 10 (before its repeal); and

11 (2) applies only to the following:

12 (A) Any allocation or distribution of revenue under section
 13 3(a)(2) of this chapter (as in effect before July 1, ~~2027~~
 14 **2028**) that is made on the basis of property tax levies in
 15 counties that formerly imposed a tax under IC 6-3.5-1.1
 16 (before its repeal on January 1, 2017).

17 (B) Any allocation or distribution of revenue under section
 18 3(a)(3) of this chapter (as in effect before July 1, ~~2027~~
 19 **2028**) that is made on the basis of property tax levies in
 20 counties that formerly imposed a tax under IC 6-3.5-6
 21 (before its repeal on January 1, 2017).

22 (b) Subject to subsection (a), if two (2) or more:

23 (1) school corporations; or

24 (2) civil taxing units;

25 of an adopting county merge or consolidate to form a single school
 26 corporation or civil taxing unit, the school corporation or civil taxing
 27 unit that is in existence on January 1 of the current year is entitled to
 28 the combined pro rata distribution of the revenue under section 3(a)(2)
 29 or 3(a)(3) (as in effect before July 1, ~~2027~~ **2028**) of this chapter (as
 30 appropriate) allocated to each applicable school corporation or civil
 31 taxing unit in existence on January 1 of the immediately preceding
 32 calendar year prior to the merger or consolidation.

33 (c) The department of local government finance shall make
 34 adjustments to civil taxing units in accordance with IC 6-1.1-18.5-7.

35 SECTION 99. IC 6-3.6-6-22, AS ADDED BY P.L.68-2025,
 36 SECTION 147, IS AMENDED TO READ AS FOLLOWS
 37 [EFFECTIVE JULY 1, 2028]: Sec. 22. (a) As used in this section,
 38 "municipality" means only a city or town that:

39 (1) has a population of three thousand five hundred (3,500) or
 40 more; and

41 (2) in the case of a city or town whose population decreased in

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1 the most recent federal decennial census from three thousand
2 five hundred (3,500) or more to less than three thousand five
3 hundred (3,500), has elected by ordinance to continue to use its
4 previous population of three thousand five hundred (3,500) or
5 more as set forth in section 23(b)(2) of this chapter for purposes
6 of the allocation determination under section 6.1 of this chapter.

7 The term does not include a city or town that has made an election
8 under section 23(b)(3) of this chapter.

9 (b) Beginning after December 31, ~~2027~~, **2028**, the fiscal body of
10 a municipality may by ordinance and subject to subsection (e), impose
11 a local income tax rate on the adjusted gross income of local taxpayers
12 in the municipality that does not exceed one and two-tenths percent
13 (1.2%).

14 (c) The following apply if a municipality imposes a local income
15 tax rate under this section:

16 (1) A local income tax rate imposed by a municipality under this
17 section applies only to local taxpayers within the territory of the
18 municipality.

19 (2) The local income tax is imposed in addition to a tax imposed
20 by the county in which the municipality is located in accordance
21 with IC 6-3.6-4-1(a) and IC 6-3.6-4-1(c).

22 (3) The following provisions of this article apply to a local
23 income tax rate imposed by a municipality under subsection (b):

24 (A) IC 6-3.6-3 (adoption of the tax), including the effective
25 date of an ordinance under IC 6-3.6-3-3.3.

26 (B) IC 6-3.6-4 (imposition of the tax), except that
27 IC 6-3.6-4-2 and IC 6-3.6-4-3 do not apply.

28 (C) IC 6-3.6-8 (administration of the tax).

29 (4) A local income tax rate imposed by a municipality shall
30 apply to ~~professional athletes who compete in the municipality;~~
31 ~~unless exempted under IC 6-3-2-27.5 or other provision of law;~~
32 **team members and race team members described in**
33 **IC 6-3.6-2-13(3) on the income derived from services**
34 **performed as a team member or race team member in the**
35 **municipality.**

36 (d) The amount of the tax revenue that is from the local income tax
37 rate imposed under this section and that is collected for a calendar year
38 shall be treated as general purpose revenue and must be distributed to
39 the fiscal officer of the municipality that imposed the tax before July 1
40 of the next calendar year.

41 (e) ~~Beginning after December 31, 2030;~~ A tax rate imposed under

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1 subsection (b) ~~shall expire~~ **expires** on December 31, **2032, and on**
 2 **December 31** of each calendar year **thereafter**. A municipality
 3 wishing to continue, increase, or decrease a tax rate ~~in~~ **for** the
 4 succeeding year must pass an ordinance to readopt a tax rate in
 5 accordance with IC 6-3.6-3-3.3. **However, if there are bonds, leases,**
 6 **or other obligations payable from a tax imposed under subsection**
 7 **(b) that remain outstanding and the municipality fails to adopt an**
 8 **ordinance to continue the expenditure tax rate under this**
 9 **subsection, the expenditure tax rate for the municipality for the**
 10 **succeeding year, or until the maturity date of those debt**
 11 **obligations, whichever is sooner, shall be the minimum tax rate**
 12 **necessary to produce one and twenty-five hundredths (1.25) times**
 13 **the sum of:**

- 14 (1) the highest annual outstanding debt service;
- 15 (2) the highest annual lease payments; and
- 16 (3) any amount required under the agreements for the bonds
- 17 or leases to be deposited in a sinking fund or other reserve;
- 18 **for the year.** This subsection applies regardless of whether there is a
- 19 modification in the tax rate or the rate is unchanged from the previous
- 20 year.

21 (f) **A municipality that imposes a local income tax rate under**
 22 **this section shall work with the county to provide the geographic**
 23 **information prescribed by the state GIS officer to the state GIS**
 24 **officer. The required information must be submitted to the state**
 25 **GIS officer in the manner prescribed by the state GIS officer not**
 26 **later than August 1 each year.**

27 SECTION 100. IC 6-3.6-6-23, AS ADDED BY P.L.68-2025,
 28 SECTION 148, IS AMENDED TO READ AS FOLLOWS
 29 [EFFECTIVE JULY 1, 2028]: Sec. 23. (a) This section applies in
 30 determining the population of a city or town for the purposes of this
 31 chapter.

- 32 (b) The following apply:
- 33 (1) Except as provided in subdivisions (2) and (3), the
- 34 population of a city or town is the population of the city or town
- 35 that is reported by the 2020 federal decennial census.
- 36 (2) Beginning after ~~2030~~, **2032**, if the population of a city or
- 37 town
- 38 (A) increases from a population of less than three thousand
- 39 five hundred (3,500); as reported by the immediately
- 40 preceding federal decennial census; to a population of three
- 41 thousand five hundred (3,500) or more; as reported by the
- 42 most recent federal decennial census; or, if applicable; any

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1 corrected population count (as defined in IC 1-1-3.5-1.5)
 2 issued for the city or town in the year succeeding the most
 3 recent federal decennial census; or
 4 (B) decreases from a population of three thousand five
 5 hundred (3,500) or more, as reported by the immediately
 6 preceding federal decennial census, to a population of less
 7 than three thousand five hundred (3,500), as reported by the
 8 most recent federal decennial census, or, if applicable, any
 9 corrected population count (as defined in IC 1-1-3.5-1.5)
 10 issued for the city or town in the year succeeding the most
 11 recent federal decennial census, the fiscal body of the city or
 12 town may adopt an ordinance on or before September 1 of
 13 the calendar year **immediately succeeding two (2) years**
 14 **after** the most recent federal decennial census to continue
 15 to use the population of the city or town as reported by the
 16 immediately preceding federal decennial census and the
 17 resulting determination for the city or town under section 22
 18 of this chapter, notwithstanding the increase or decrease in
 19 its population as reported by the most recent federal
 20 decennial census as described in this subdivision. An
 21 ordinance adopted under this subdivision shall take effect
 22 on January 1 of the calendar year that immediately succeeds
 23 the year in which the ordinance is adopted. The fiscal
 24 officer of the city or town shall provide a certified copy of
 25 an ordinance adopted under this subdivision to the
 26 department of local government finance.

27 (3) This subdivision applies only to cities and towns with a
 28 population of ~~more than~~ three thousand five hundred (3,500) **or**
 29 **more** but less than seven thousand (7,000). Notwithstanding any
 30 other provision, a fiscal body of a city or town may adopt an
 31 ordinance to elect to be treated as if the city's or town's
 32 population is less than three thousand five hundred (3,500) for
 33 purposes of a county local income tax rate and distribution under
 34 this chapter. An ordinance adopted under this subdivision shall
 35 take effect on January 1 of the calendar year that immediately
 36 succeeds the year in which the ordinance is adopted. The fiscal
 37 officer of the city or town shall provide a certified copy of an
 38 ordinance adopted under this subdivision to the department of
 39 local government finance. An ordinance adopted by a city or
 40 town under this subdivision is not revocable and shall ~~not expire~~
 41 **following the next federal decennial census: expire December**

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1 **31, 2032.**

2 SECTION 101. IC 6-3.6-7-0.5 IS ADDED TO THE INDIANA
3 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
4 [EFFECTIVE JANUARY 1, 2029]: **Sec. 0.5. For taxable years**
5 **beginning after December 31, 2027, a tax rate imposed by a county**
6 **under this chapter may be imposed on a local taxpayer only if the**
7 **county could impose the tax rates in IC 6-3.6-2(b)(1) through**
8 **IC 6-3.6-2(b)(3) on the local taxpayer.**

9 SECTION 102. IC 6-3.6-7-9, AS AMENDED BY P.L.68-2025,
10 SECTION 149, IS AMENDED TO READ AS FOLLOWS
11 [EFFECTIVE JULY 1, 2028]: Sec. 9. (a) This section applies only to
12 Hancock County.

13 (b) The county fiscal body may, by ordinance, allocate part of the
14 tax rate imposed under IC 6-3.6-5 (before its expiration), not to exceed
15 a tax rate of fifteen hundredths percent (0.15%), to a property tax credit
16 against the property tax liability imposed for public libraries in the
17 county, if all territory in the county is included in a library district. The
18 county treasurer shall establish a library property tax replacement fund
19 to be used only for the purposes described in this section. Tax revenues
20 derived from the part of the tax rate imposed under IC 6-3.6-5 (before
21 its expiration) that is designated for property tax replacement credits
22 under this section shall be deposited in the library property tax
23 replacement fund. Any interest earned on money in the library property
24 tax replacement fund shall be credited to the library property tax
25 replacement fund.

26 (c) The amount of property tax replacement credits that each
27 public library in the county is entitled to receive during a calendar year
28 under this section (before the expiration of IC 6-3.6-5) equals the lesser
29 of:

30 (1) the product of:

31 (A) the amount of revenue deposited by the county auditor
32 in the library property tax replacement fund; multiplied by

33 (B) a fraction described as follows:

34 (i) The numerator of the fraction equals the sum of the
35 total property taxes that would have been collected by
36 the public library during the previous calendar year
37 from taxpayers located within the library district if the
38 property tax replacement under this section had not
39 been in effect.

40 (ii) The denominator of the fraction equals the sum of
41 the total property taxes that would have been collected
42 during the previous year from taxpayers located within



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1 the county by all public libraries that are eligible to
2 receive property tax replacement credits under this
3 section if the property tax replacement under this
4 section had not been in effect; or

5 (2) the total property taxes that would otherwise be collected by
6 the public library for the calendar year if the property tax
7 replacement credit under this section were not in effect.

8 The department of local government finance shall make any
9 adjustments necessary to account for the expansion of a library district.
10 However, a public library is eligible to receive property tax
11 replacement credits under this section only if it has entered into
12 reciprocal borrowing agreements with all other public libraries in the
13 county. If the total amount of tax revenue deposited by the county
14 auditor in the library property tax replacement fund for a calendar year
15 exceeds the total property tax liability that would otherwise be imposed
16 for public libraries in the county for the year, the excess must remain
17 in the library property tax replacement fund and may be used for library
18 property tax replacement purposes in the following calendar year.

19 (d) A public library receiving property tax replacement credits
20 under this section shall allocate the credits among each fund for which
21 a distinct property tax levy is imposed in proportion to the property
22 taxes levied for each fund. However, if a public library did not impose
23 a property tax levy during the previous calendar year or did not impose
24 a property tax levy for a particular fund during the previous calendar
25 year, but the public library is imposing a property tax levy in the
26 current calendar year or is imposing a property tax levy for the
27 particular fund in the current calendar year, the department of local
28 government finance shall adjust the amount of property tax
29 replacement credits allocated among the various funds of the public
30 library and shall provide the adjustment to the county auditor. If a
31 public library receiving property tax replacement credits under this
32 section does not impose a property tax levy for a particular fund that is
33 first due and payable in a calendar year in which the property tax
34 replacement credits are being distributed, the public library is not
35 required to allocate to that fund a part of the property tax replacement
36 credits to be distributed to the public library. Notwithstanding
37 IC 6-1.1-20-1.1(a)(1), a public library that receives property tax
38 replacement credits under this section is subject to the procedures for
39 the issuance of bonds set forth in IC 6-1.1-20.

40 (e) A public library shall treat property tax replacement credits
41 received during a particular calendar year under this section as a part

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1 of the public library's property tax levy for each fund for that same
2 calendar year for purposes of fixing the public library's budget and for
3 purposes of the property tax levy limits imposed by IC 6-1.1-18.5.

4 (f) For the purpose of allocating tax revenue under IC 6-3.6-6 and
5 computing and distributing tax revenue under IC 6-5.5 or IC 6-6-5, the
6 property tax replacement credits that are received under this section
7 shall be treated as though they were property taxes that were due and
8 payable during that same calendar year.

9 (g) **The county fiscal body shall adopt a resolution to allow a**
10 **one (1) time transfer to be made after December 31, 2028, but not**
11 **later than July 1, 2029, of money from the library property tax**
12 **replacement fund in an amount equal to the balance of the fund as**
13 **of December 31, 2028, to be allocated between the:**

14 (1) **Hancock County Public Library for deposit in the general**
15 **fund; and**

16 (2) **Fortville Public Library for deposit in the general fund.**

17 **The amount shall be allocated between the Hancock County Public**
18 **Library and Fortville Public Library based on each library's**
19 **proportional share of the population in each library district**
20 **compared to the total population in both library districts, based on**
21 **the most recent federal decennial census. After the county fiscal**
22 **body adopts a resolution under this subsection, before the transfer**
23 **may be made, and not later than July 1, 2029, the Hancock County**
24 **Public Library and Fortville Public Library shall each adopt a**
25 **substantially similar resolution requesting that the transfer be**
26 **made and provide certified copies to the county fiscal body. Upon**
27 **receiving the certified copies, the county fiscal body shall make the**
28 **transfer under this subsection.**

29 SECTION 103. IC 6-3.6-7-14, AS AMENDED BY P.L.38-2021,
30 SECTION 45, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
31 UPON PASSAGE]: Sec. 14. (a) This section applies only to Marshall
32 County.

33 (b) The county fiscal body may impose a tax on the adjusted gross
34 income of local taxpayers at a tax rate that does not exceed the lesser
35 of the following:

36 (1) Twenty-five hundredths percent (0.25%).

37 (2) The rate necessary to carry out the purposes described in
38 subsection (c).

39 (c) Revenue raised from a tax under this section may be used only
40 for the following purposes:

41 (1) To finance, construct, acquire, improve, renovate, or equip:

42 (A) jail facilities;

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1 (B) juvenile court, detention, and probation facilities;
 2 (C) other criminal justice facilities; and
 3 (D) related buildings and parking facilities;
 4 located in the county, including costs related to the demolition
 5 of existing buildings and the acquisition of land.
 6 (2) Repay bonds issued or leases entered into for the purposes
 7 described in subdivision (1).
 8 (d) The tax imposed under this section may be imposed only until
 9 the last of the following dates:
 10 (1) The date on which the purposes described in subsection
 11 (c)(1) are completed.
 12 (2) The date on which the last of any bonds issued (including any
 13 refunding bonds) or leases described in subsection (c)(2) are
 14 fully paid.
 15 The term of the bonds issued (including any refunding bonds) or a
 16 lease entered into under subsection (c)(2) may not exceed twenty (20)
 17 years.
 18 (e) Money accumulated from the tax under this section after the
 19 tax imposed by this section is terminated shall be transferred to the
 20 county jail fund to be established under subsection (f).
 21 (f) The county auditor shall establish a county jail fund that shall
 22 only be used for:
 23 (1) maintenance of a jail facility; and
 24 (2) costs otherwise incurred for the operation of the county
 25 jail.
 26 **Money in the county jail fund** shall not be used to issue new debt or
 27 enter into leases, notwithstanding any other sections of this chapter.
 28 SECTION 104. IC 6-3.6-7-27, AS AMENDED BY P.L.197-2016,
 29 SECTION 63, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 30 JANUARY 1, 2028]: Sec. 27. (a) This section applies only to an
 31 eligible county, as defined in IC 8-25-1-4.
 32 (b) If the voters of the county approve a local public question
 33 under IC 8-25-2, the fiscal body of the county may adopt an ordinance
 34 to provide for the use of local income tax revenues ~~attributable to an~~
 35 ~~additional tax rate imposed under IC 6-3.6-6~~ to fund a public
 36 transportation project under IC 8-25. However, a county fiscal body
 37 shall adopt an ordinance under this subsection if required by
 38 IC 8-25-6-10 to impose an additional tax rate on the county taxpayers
 39 (as defined in IC 8-24-1-10) who reside in a township in which the
 40 voters approve a public transportation project in a local public question
 41 held under IC 8-25-6. An ordinance adopted under this subsection must

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1 specify an additional tax rate to be imposed in the county (or township
 2 in the case of an additional rate required by IC 8-25-6-10) of at least
 3 one-tenth percent (0.1%), but not more than twenty-five hundredths
 4 percent (0.25%). If an ordinance is adopted under this subsection, the
 5 amount of the certified distribution attributable to the additional tax
 6 rate imposed under this subsection must be:

- 7 (1) retained by the county auditor;
- 8 (2) deposited in the county public transportation project fund
 9 established under IC 8-25-3-7; and
- 10 (3) used for the purpose provided in this subsection instead of as
 11 a property tax replacement distribution.

12 (c) The tax rate under this section ~~plus the tax rate under~~
 13 ~~IC 6-3.6-6~~ **may not exceed the tax rate may not be considered for**
 14 **purposes of determining the maximum allowable tax rate** specified
 15 in IC 6-3.6-6-2.

16 SECTION 105. IC 6-3.6-8-3, AS ADDED BY P.L.243-2015,
 17 SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 18 JULY 1, 2026]: Sec. 3. (a) For purposes of this article, an individual
 19 shall be treated as a resident of the county in which the individual:

- 20 (1) maintains a home, if the individual maintains only one (1)
 21 home in Indiana;
- 22 (2) if subdivision (1) does not apply, is registered to vote;
- 23 (3) if subdivision (1) or (2) does not apply, registers the
 24 individual's personal automobile; or
- 25 (4) spent ~~the majority~~ **more** of the individual's time in Indiana
 26 during the taxable year in question **compared to any other**
 27 **county**, if subdivision (1), (2), or (3) does not apply.

28 (b) The residence or principal place of business or employment of
 29 an individual is to be determined on January 1 of the calendar year in
 30 which the individual's taxable year commences. If an individual
 31 changes the location of the individual's residence or principal place of
 32 employment or business to another county in Indiana during a calendar
 33 year, the individual's liability for tax is not affected.

34 (c) Notwithstanding subsection (b), if an individual becomes a
 35 local taxpayer for purposes of IC 36-7-27 during a calendar year
 36 because the individual:

- 37 (1) changes the location of the individual's residence to a county
 38 in which the individual begins employment or business at a
 39 qualified economic development tax project (as defined in
 40 IC 36-7-27-9); or
- 41 (2) changes the location of the individual's principal place of

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1 employment or business to a qualified economic development
 2 tax project and does not reside in another county in which a tax
 3 is in effect;
 4 the individual's adjusted gross income attributable to employment or
 5 business at the qualified economic development tax project is taxable
 6 only by the county containing the qualified economic development tax
 7 project.
 8 SECTION 106. IC 6-3.6-8-3, AS AMENDED BY P.L.68-2025,
 9 SECTION 151, IS AMENDED TO READ AS FOLLOWS
 10 [EFFECTIVE JANUARY 1, 2029]: Sec. 3. (a) For purposes of this
 11 article, an individual shall be treated as a resident of the county (or the
 12 municipality in the case of a local income tax imposed under
 13 IC 6-3.6-6-22) in which the individual:
 14 (1) maintains a home, if the individual maintains only one (1)
 15 home in Indiana;
 16 (2) if subdivision (1) does not apply, is registered to vote;
 17 (3) if subdivision (1) or (2) does not apply, registers the
 18 individual's personal automobile; or
 19 (4) spent ~~the majority~~ **more** of the individual's time in Indiana
 20 during the taxable year in question **compared to any other**
 21 **county**, if subdivision (1), (2), or (3) does not apply.
 22 (b) The residence of an individual is to be determined on January
 23 1 of the calendar year in which the individual's taxable year
 24 commences. If an individual changes the location of the individual's
 25 residence to another county (or municipality in the case of a local
 26 income tax imposed under IC 6-3.6-6-22) in Indiana during a calendar
 27 year, the individual's liability for tax is not affected.
 28 (c) Notwithstanding subsection (b), if an individual becomes a
 29 local taxpayer for purposes of IC 36-7-27 during a calendar year
 30 because the individual changes the location of the individual's
 31 residence to a county or municipality in which the individual begins
 32 employment or business at a qualified economic development tax
 33 project (as defined in IC 36-7-27-9), the individual's adjusted gross
 34 income attributable to employment or business at the qualified
 35 economic development tax project is taxable only by the county or
 36 municipality containing the qualified economic development tax
 37 project.
 38 (d) **In determining residency for purposes of a local income tax**
 39 **imposed under IC 6-3.6-6-2(b)(4) or IC 6-3.6-6-22, the following**
 40 **apply:**
 41 (1) **The criteria in subsection (a)(1) through (a)(4) must be**

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- 1 **applied to municipalities and the parts of a county in which**
- 2 **the county may impose a tax rate under IC 6-3.6-6-2(b)(4).**
- 3 **(2) If an individual meets the criteria in subsection (a)(1)**
- 4 **through (a)(3) for an area in the county in which the county**
- 5 **may impose a tax rate under IC 6-3.6-6-2(b)(4), the**
- 6 **individual is considered a resident of that area of the county**
- 7 **and is subject to a tax rate imposed under IC 6-3.6-6-2(b)(4).**
- 8 **(3) If an individual is a resident of the county pursuant to**
- 9 **subsection (a)(4), the:**
 - 10 **(A) time spent in all areas within the county in which the**
 - 11 **county may impose a tax rate under IC 6-3.6-6-2(b)(4)**
 - 12 **shall be aggregated; and**
 - 13 **(B) determination of the individual's residence within**
 - 14 **the county shall be determined solely by the time spent**
 - 15 **in the municipality (or part of the county) and the parts**
 - 16 **of a county in which the county may impose a tax rate**
 - 17 **under IC 6-3.6-6-2(b)(4).**

18 SECTION 107. IC 6-3.6-8-7, AS ADDED BY P.L.243-2015,
 19 SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 20 JANUARY 1, 2029]: Sec. 7. In the case of a local taxpayer who is a
 21 resident of Perry County, **or a resident of a municipality located in**
 22 **Perry County in the case of a local income tax imposed under**
 23 **IC 6-3.6-6-22**, the term "adjusted gross income" does not include
 24 adjusted gross income that is:

- 25 (1) earned in a county that is:
 - 26 (A) located in another state; and
 - 27 (B) adjacent to the county in which the taxpayer resides;
 - 28 and
- 29 (2) subject to an income tax imposed by a county, city, town, or
 30 other local governmental entity in the other state.

31 SECTION 108. IC 6-3.6-9-1, AS AMENDED BY P.L.68-2025,
 32 SECTION 154, IS AMENDED TO READ AS FOLLOWS
 33 [EFFECTIVE JULY 1, 2028]: Sec. 1. (a) The budget agency shall
 34 maintain an accounting for each county imposing a tax based on annual
 35 returns filed by or for county taxpayers. Any undistributed amounts so
 36 accounted for shall be held in reserve for the respective counties
 37 separate from the state general fund.

38 (b) Undistributed amounts shall be invested by the treasurer of
 39 state and the income earned shall be credited to the counties based on
 40 each county's undistributed amount.

41 (c) This section expires December 31, ~~2027~~: **2028**.

42 SECTION 109. IC 6-3.6-9-5, AS AMENDED BY P.L.68-2025,

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1 SECTION 158, IS AMENDED TO READ AS FOLLOWS
 2 [EFFECTIVE JULY 1, 2028]: Sec. 5. (a) Before October 1 of each
 3 calendar year, the budget agency shall certify to the department of local
 4 government finance and the county auditor of each adopting county the
 5 amount determined under sections 4 and 4.1 of this chapter. The
 6 amount certified is the county's certified distribution for the
 7 immediately succeeding calendar year. The amount certified shall be
 8 adjusted, as necessary, under sections 6 and 7 of this chapter. Subject
 9 to subsection (b), not later than thirty (30) days after receiving the
 10 amount of the certified distribution, the department of local
 11 government finance shall determine for each taxing unit and notify the
 12 county auditor of the certified amount that will be distributed to the
 13 taxing unit under this chapter during the ensuing calendar year. Not
 14 later than thirty (30) days after receiving the department's estimate, the
 15 county auditor shall notify each taxing unit of the certified amounts for
 16 the taxing unit.

17 (b) This subsection applies to Lake County. When the department
 18 of local government finance notifies the county auditor of the certified
 19 amount that will be distributed to the taxing unit under this chapter
 20 during the ensuing calendar year, the department of local government
 21 finance shall also determine the amount of general purpose revenue
 22 allocated for economic development purposes that will be distributed
 23 to each civil taxing unit, reduced by an amount that is equal to the
 24 following percentages of the tax revenue that would otherwise be
 25 allocated for economic development purposes and distributed to the
 26 civil taxing unit:

- 27 (1) For Lake County, an amount equal to twenty-five percent
 28 (25%).
- 29 (2) For Crown Point, an amount equal to ten percent (10%).
- 30 (3) For Dyer, an amount equal to fifteen percent (15%).
- 31 (4) For Gary, an amount equal to seven and five-tenths percent
 32 (7.5%).
- 33 (5) For Hammond, an amount equal to fifteen percent (15%).
- 34 (6) For Highland, an amount equal to twelve percent (12%).
- 35 (7) For Hobart, an amount equal to eighteen percent (18%).
- 36 (8) For Lake Station, an amount equal to twenty percent (20%).
- 37 (9) For Lowell, an amount equal to fifteen percent (15%).
- 38 (10) For Merrillville, an amount equal to twenty-two percent
 39 (22%).
- 40 (11) For Munster, an amount equal to thirty-four percent (34%).
- 41 (12) For New Chicago, an amount equal to one percent (1%).



- 1 (13) For Schererville, an amount equal to ten percent (10%).
- 2 (14) For Schneider, an amount equal to twenty percent (20%).
- 3 (15) For Whiting, an amount equal to twenty-five percent (25%).
- 4 (16) For Winfield, an amount equal to fifteen percent (15%).

5 The department of local government finance shall notify the county
 6 auditor of the remaining amounts to be distributed and the amounts of
 7 the reductions that will be withheld under IC 6-3.6-11-5.5.

8 **(c) This subsection applies to a distribution under**
 9 **IC 6-3.6-6-4.3 of tax revenue raised from a local income tax rate**
 10 **for fire protection and emergency medical services. Before the**
 11 **department of local government finance may certify a distribution,**
 12 **each provider of fire protection and emergency medical services**
 13 **located within a county shall certify to the department of local**
 14 **government finance the boundaries of the service area within the**
 15 **county served by the provider. If a provider does not certify the**
 16 **provider's service area to the department of local government**
 17 **finance, the department of local government finance shall use the**
 18 **most recent certified net assessed valuation submitted by the**
 19 **county auditor pursuant to IC 6-1.1-17-1 for the taxing unit served**
 20 **by the provider to determine the service boundaries for the**
 21 **provider. For purposes of this subsection, the service boundaries**
 22 **of a provider may not include any area served under a mutual aid**
 23 **agreement.**

24 SECTION 110. IC 6-3.6-9-10, AS AMENDED BY P.L.68-2025,
 25 SECTION 164, IS AMENDED TO READ AS FOLLOWS
 26 [EFFECTIVE JULY 1, 2028]: Sec. 10. The budget agency shall also
 27 certify information concerning the part of the certified distribution that
 28 is attributable to each of the following:

- 29 (1) The tax rate imposed under IC 6-3.6-5 (before its expiration).
- 30 This subdivision expires July 1, ~~2028~~: **2029**.
- 31 (2) The tax rate imposed under IC 6-3.6-6, separately stating:
 - 32 (A) the part of the distribution attributable to a tax rate
 - 33 imposed under IC 6-3.6-6-2.5 (before its repeal);
 - 34 (B) the part of the distribution attributable to a tax rate
 - 35 imposed under IC 6-3.6-6-2.6 (before its repeal);
 - 36 (C) the part of the distribution attributable to a tax rate
 - 37 imposed under IC 6-3.6-6-2.7 (before its repeal);
 - 38 (D) the part of the distribution attributable to a tax rate
 - 39 imposed under IC 6-3.6-6-2.8 (before its repeal); and
 - 40 (E) the part of the distribution attributable to a tax rate
 - 41 imposed under IC 6-3.6-6-2.9 (before its repeal).
- 42 (3) Each tax rate imposed under IC 6-3.6-7.

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1 (4) In the case of Marion County, the local income taxes paid by
2 local taxpayers described in IC 6-3.6-2-13(3).

3 The amount certified shall be adjusted to reflect any adjustment in the
4 certified distribution under this chapter.

5 SECTION 111. IC 6-3.6-9-12, AS AMENDED BY P.L.68-2025,
6 SECTION 166, IS AMENDED TO READ AS FOLLOWS
7 [EFFECTIVE JULY 1, 2028]: Sec. 12. One-twelfth (1/12) of each
8 adopting county's certified distribution for a calendar year shall be
9 distributed:

10 (1) before January 1, ~~2028~~, **2029**, from its trust account
11 established under this chapter; and

12 (2) after December 31, ~~2027~~, **2028**, from the state and local
13 income tax holding account established under this chapter;

14 to the appropriate county treasurer on the first regular business day of
15 each month of that calendar year.

16 SECTION 112. IC 6-3.6-9-13, AS AMENDED BY P.L.68-2025,
17 SECTION 167, IS AMENDED TO READ AS FOLLOWS
18 [EFFECTIVE JULY 1, 2028]: Sec. 13. (a) All distributions from a trust
19 account established under this chapter shall be made by warrants issued
20 by the state comptroller to the treasurer of state ordering the
21 appropriate payments.

22 (b) This section expires December 31, ~~2027~~. **2028**.

23 SECTION 113. IC 6-3.6-9-17.5, AS ADDED BY P.L.68-2025,
24 SECTION 171, IS AMENDED TO READ AS FOLLOWS
25 [EFFECTIVE JULY 1, 2028]: Sec. 17.5. After December 31, ~~2027~~,
26 **2028**, the county's certified distribution amount for ~~2028~~ **2029** shall be
27 maintained in the accounting for the county under section 21 of this
28 chapter and transferred as set forth in section 21 of this chapter.

29 SECTION 114. IC 6-3.6-9-21, AS ADDED BY P.L.68-2025,
30 SECTION 173, IS AMENDED TO READ AS FOLLOWS
31 [EFFECTIVE JULY 1, 2028]: Sec. 21. (a) The budget agency shall
32 maintain an accounting for each county imposing a tax based on annual
33 returns filed by or for county taxpayers. Beginning after December 31,
34 ~~2027~~, **2028**, any undistributed amounts so accounted shall be held for
35 purposes of the state and local income tax holding account.

36 (b) After December 1 but before December 31 of each year, the
37 budget agency shall present to the budget committee a report of the
38 following:

39 (1) An estimate of the monthly certified distribution amounts for
40 the immediately succeeding calendar year.

41 (2) A description of the method used to determine the monthly

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1 estimates under subdivision (1).
2 (c) Beginning in ~~2028~~, **2029**, and in each calendar year thereafter,
3 the budget agency shall each month transfer to the state and local
4 income tax holding account the amount determined for the month
5 under subsection (b)(1) for distribution under this chapter.

6 (d) In the case of a county that imposes a tax rate under
7 IC 6-3.6-6-2 or a municipality that imposes a tax rate under
8 IC 6-3.6-6-22 beginning after December 31, ~~2027~~, **2028**, the budget
9 agency shall withhold, from each of the first three (3) annual certified
10 distributions resulting from the tax rate, an amount equal to five
11 percent (5%) of the county's or municipality's, as applicable, annual
12 certified distribution resulting from the tax rate. The amounts withheld
13 under this subsection shall be credited to the respective county's or
14 municipality's trust account.

15 SECTION 115. IC 6-3.6-10-9, AS ADDED BY P.L.68-2025,
16 SECTION 178, IS AMENDED TO READ AS FOLLOWS
17 [EFFECTIVE MAY 10, 2025 (RETROACTIVE)]: Sec. 9. (a)
18 Notwithstanding any other law, for bonds, leases, or any other
19 obligations incurred after May 9, 2025, a county, city, town, and any
20 other taxing unit may not pledge for payment from tax revenue
21 received under this article an amount that exceeds an amount equal to
22 twenty-five percent (25%) of the taxing unit's certified distribution
23 under this article.

24 (b) This section expires July 1, ~~2027~~: **2028**.

25 SECTION 116. IC 6-3.6-11-3, AS AMENDED BY P.L.68-2025,
26 SECTION 180, IS AMENDED TO READ AS FOLLOWS
27 [EFFECTIVE JULY 1, 2028]: Sec. 3. (a) This section applies to Lake
28 County's categorizations, allocations, and distributions under IC 6-3.6-5
29 (before its expiration).

30 (b) The rate under the former tax in Lake County that was used for
31 any of the following shall be categorized under IC 6-3.6-5 (before its
32 expiration), and the Lake County council may adopt an ordinance
33 providing that the revenue from the tax rate under this section may be
34 used for any of the following:

35 (1) To reduce all property tax levies imposed by the county by
36 the granting of property tax replacement credits against those
37 property tax levies.

38 (2) To provide local property tax replacement credits in Lake
39 County in the following manner:

40 (A) The tax revenue under this section that is collected from
41 taxpayers within a particular municipality in Lake County

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1 (as determined by the department of state revenue based on
2 the department's best estimate) shall be used only to provide
3 a local property tax credit against property taxes imposed by
4 that municipality.

5 (B) The tax revenue under this section that is collected from
6 taxpayers within the unincorporated area of Lake County
7 (as determined by the department of state revenue) shall be
8 used only to provide a local property tax credit against
9 property taxes imposed by the county. The local property
10 tax credit for the unincorporated area of Lake County shall
11 be available only to those taxpayers within the
12 unincorporated area of the county.

- 13 (3) To provide property tax credits in the following manner:
- 14 (A) Sixty percent (60%) of the tax revenue shall be used as
- 15 provided in subdivision (2).
- 16 (B) Forty percent (40%) of the tax revenue shall be used to
- 17 provide property tax replacement credits against property
- 18 tax levies of the county and each township and municipality
- 19 in the county. The percentage of the tax revenue distributed
- 20 under this item that shall be used as credits against the
- 21 county's levies or against a particular township's or
- 22 municipality's levies is equal to the percentage determined
- 23 by dividing the population of the county, township, or
- 24 municipality by the sum of the total population of the
- 25 county, each township in the county, and each municipality
- 26 in the county.

27 The Lake County council shall determine whether the credits under
28 subdivision (1), (2), or (3) shall be provided to homesteads, to all
29 qualified residential property, or to all taxpayers. The department of
30 local government finance, with the assistance of the budget agency,
31 shall certify to the county auditor and the fiscal body of the county and
32 each township and municipality in the county the amount of property
33 tax credits under this section. The tax revenue under this section that
34 is used to provide credits under this section shall be treated for all
35 purposes as property tax levies but shall not be considered for purposes
36 of computing the maximum permissible property tax levy under
37 IC 6-1.1-18.5-3 or the credit under IC 6-1.1-20.6.

38 (c) Any ordinance adopted under subsection (b) expires December
39 31, ~~2027~~. **2028**.

40 (d) This section expires July 1, ~~2028~~. **2031**.

41 SECTION 117. IC 6-6-5-5, AS AMENDED BY P.L.230-2025,

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

16 SECTION 118. IC 6-6-5-5.2, AS AMENDED BY P.L.230-2025,
 17 SECTION 88, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 18 JANUARY 1, 2026 (RETROACTIVE)]: Sec. 5.2. (a) This section
 19 applies to a registration year beginning after December 31, 2013.

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

- 24 (1) The individual meets all the following requirements:
 - 25 (A) The individual served in the military or naval forces of
 - 26 the United States during any of its wars.
 - 27 (B) The individual received an honorable discharge.
 - 28 (C) The individual has a disability with a service connected
 - 29 disability of ten percent (10%) or more.
 - 30 (D) The individual's disability is evidenced by:
 - 31 (i) a pension certificate, an award of compensation, or
 - 32 a disability compensation check issued by the United
 - 33 States Department of Veterans Affairs; or
 - 34 (ii) a certificate of eligibility issued to the individual by
 - 35 the Indiana department of veterans' affairs after the
 - 36 Indiana department of veterans' affairs has determined
 - 37 that the individual's disability qualifies the individual
 - 38 to receive a credit under this section.
 - 39 (E) The individual does not own property to which a
 - 40 property tax deduction may be applied under IC 6-1.1-12-13
 - 41 **(before its expiration).**

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- 1 (2) The individual meets all the following requirements:
- 2 (A) The individual served in the military or naval forces of
- 3 the United States for at least ninety (90) days.
- 4 (B) The individual received an honorable discharge.
- 5 (C) The individual either:
- 6 (i) has a total disability; or
- 7 (ii) is at least sixty-two (62) years of age and has a
- 8 disability of at least ten percent (10%).
- 9 (D) The individual's disability is evidenced by:
- 10 (i) a pension certificate or an award of compensation
- 11 issued by the United States Department of Veterans
- 12 Affairs; or
- 13 (ii) a certificate of eligibility issued to the individual by
- 14 the Indiana department of veterans' affairs after the
- 15 Indiana department of veterans' affairs has determined
- 16 that the individual's disability qualifies the individual
- 17 to receive a credit under this section.
- 18 (E) The individual does not own property to which a
- 19 property tax deduction may be applied under
- 20 IC 6-1.1-12-14.
- 21 (3) The individual meets both of the following requirements:
- 22 (A) The individual is the surviving spouse of any of the
- 23 following:
- 24 (i) An individual who would have been eligible for a
- 25 credit under this section if the individual had been
- 26 alive in 2013 and this section had been in effect in
- 27 2013.
- 28 (ii) An individual who received a credit under this
- 29 section in the previous calendar year.
- 30 (iii) A World War I veteran.
- 31 (B) The individual does not own property to which a
- 32 property tax deduction may be applied under IC 6-1.1-12-13
- 33 **(before its expiration)**, IC 6-1.1-12-14, or IC 6-1.1-12-16
- 34 **(before its expiration)**.
- 35 (c) The amount of the credit that may be claimed under this
- 36 section is equal to the lesser of the following:
- 37 (1) The amount of the excise tax liability for the individual's
- 38 vehicle as determined under section 3 or 3.5 of this chapter, as
- 39 applicable.
- 40 (2) Seventy dollars (\$70).
- 41 (d) The maximum number of motor vehicles for which an

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1 individual may claim a credit under this section is two (2).
 2 (e) An individual may not claim a credit under both:
 3 (1) this section; and
 4 (2) section 5 of this chapter.
 5 (f) The credit allowed by this section must be claimed on a form
 6 prescribed by the bureau. An individual claiming the credit must attach
 7 to the form an affidavit from the county auditor stating that the
 8 claimant does not own property to which a property tax deduction may
 9 be applied under IC 6-1.1-12-13 **(before its expiration)**,
 10 IC 6-1.1-12-14, or IC 6-1.1-12-16 (before its expiration).

11 SECTION 119. IC 6-6-5.1-2, AS AMENDED BY P.L.256-2017,
 12 SECTION 43, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 13 UPON PASSAGE]: Sec. 2. The following definitions apply throughout
 14 this chapter:

- 15 (1) "Bureau" refers to the bureau of motor vehicles.
- 16 (2) "Mobile home" has the meaning set forth in ~~IC 6-1.1-7-1.~~
 17 **IC 9-13-2-103.2. The term includes a manufactured home (as**
 18 **defined in IC 9-13-2-96(a)).**
- 19 (3) "Owner" means:
 20 (A) in the case of a recreational vehicle, the person in
 21 whose name the recreational vehicle is registered under
 22 IC 9-18 (before its expiration) or IC 9-18.1; or
 23 (B) in the case of a truck camper, the person holding title to
 24 the truck camper.
- 25 (4) "Recreational vehicle" has the meaning set forth in
 26 IC 9-13-2-150.
- 27 (5) "Truck camper" has the meaning set forth in IC 9-13-2-188.3.

28 SECTION 120. IC 6-6-6.5-13, AS AMENDED BY P.L.230-2025,
 29 SECTION 89, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 30 JANUARY 1, 2026 (RETROACTIVE)]: Sec. 13. (a) As the basis for
 31 measuring the tax imposed by this chapter, the department shall
 32 classify every taxable aircraft in its proper class according to the
 33 following classification plan:

34	CLASS	DESCRIPTION
35	A	Piston-driven
36	B	Piston-driven, and Pressurized
37	C	Turbine driven
38		or other Powered
39	D	Homebuilt, Gliders, or
40		Hot Air Balloons
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1 (b) The tax imposed under this chapter is based on the age, class,
 2 and maximum landing weight of the taxable aircraft. The amount of tax
 3 imposed on the taxable aircraft is based on the following table:

4 Age	Class A	Class B	Class C	Class D
5 0-4	\$.04/lb	\$.065/lb	\$.09/lb	\$.0175/lb
6 5-8	\$.035/lb	\$.055/lb	\$.08/lb	\$.015/lb
7 9-12	\$.03/lb	\$.05/lb	\$.07/lb	\$.0125/lb
8 13-16	\$.025/lb	\$.025/lb	\$.025/lb	\$.01/lb
9 17-25	\$.02/lb	\$.02/lb	\$.02/lb	\$.0075/lb
10 over 25	\$.01/lb	\$.01/lb	\$.01/lb	\$.005/lb

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

- 15 (1) ninety percent (90%); or
- 16 (2) ten percent (10%) times the number of months remaining in
 17 the registration year after the sale of the aircraft.

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

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

35 SECTION 121. IC 6-9-18-3, AS AMENDED BY THE
 36 TECHNICAL CORRECTIONS BILL OF THE 2026 GENERAL
 37 ASSEMBLY, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 38 JULY 1, 2026]: Sec. 3. (a) The fiscal body of a county may levy a tax
 39 on every person engaged in the business of renting or furnishing, for
 40 periods of less than thirty (30) days, any room or rooms, lodgings, or
 41 accommodations in any:

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- 1 (1) hotel;
- 2 (2) motel;
- 3 (3) boat motel;
- 4 (4) inn;
- 5 (5) college or university memorial union;
- 6 (6) college or university residence hall or dormitory; or
- 7 (7) tourist cabin;
- 8 located in the county.
- 9 (b) The tax does not apply to gross income received in a transaction
- 10 in which:
- 11 (1) a student rents lodgings in a college or university residence
- 12 hall while that student participates in a course of study for which
- 13 the student receives college credit from a college or university
- 14 located in the county; or
- 15 (2) a person rents a room, lodging, or accommodations for a
- 16 period of thirty (30) days or more.
- 17 (c) The tax may not exceed:
- 18 (1) the rate of five percent (5%) in a county other than a county
- 19 subject to subdivision (2), (3), ~~or (4), or (5)~~;
- 20 (2) after June 30, 2019, and except as provided in section 6.7 of
- 21 this chapter, the rate of eight percent (8%) in Howard County; ~~or~~
- 22 (3) after June 30, 2021, the rate of nine percent (9%) in Daviess
- 23 County;
- 24 **(4) after June 30, 2026, the rate of eight percent (8%) in**
- 25 **DeKalb County; or**
- 26 **(5) after June 30, 2026, the rate of eight percent (8%) in Noble**
- 27 **County.**
- 28 The tax is imposed on the gross retail income derived from lodging
- 29 income only and is in addition to the state gross retail tax imposed
- 30 under IC 6-2.5.
- 31 (d) The county fiscal body may adopt an ordinance to require that
- 32 the tax shall be paid monthly to the county treasurer. If such an
- 33 ordinance is adopted, the tax shall be paid to the county treasurer not
- 34 more than twenty (20) days after the end of the month the tax is
- 35 collected. If such an ordinance is not adopted, the tax shall be imposed,
- 36 paid, and collected in exactly the same manner as the state gross retail
- 37 tax is imposed, paid, and collected under IC 6-2.5.
- 38 (e) All of the provisions of IC 6-2.5 relating to rights, duties,
- 39 liabilities, procedures, penalties, definitions, exemptions, and
- 40 administration are applicable to the imposition and administration of
- 41 the tax imposed under this section except to the extent those provisions
- 42 are in conflict or inconsistent with the specific provisions of this

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1 chapter or the requirements of the county treasurer. If the tax is paid to
2 the department of state revenue, the return to be filed for the payment
3 of the tax under this section may be either a separate return or may be
4 combined with the return filed for the payment of the state gross retail
5 tax as the department of state revenue may, by rule, determine.

6 (f) If the tax is paid to the department of state revenue, the amounts
7 received from the tax imposed under this section shall be paid monthly
8 by the treasurer of state to the county treasurer upon warrants issued by
9 the state comptroller.

10 SECTION 122. IC 6-9-32-3, AS AMENDED BY P.L.9-2024,
11 SECTION 245, IS AMENDED TO READ AS FOLLOWS
12 [EFFECTIVE JULY 1, 2026]: Sec. 3. (a) The fiscal body of a county
13 may levy a tax on every person engaged in the business of renting or
14 furnishing, for periods of less than thirty (30) days, any room or rooms,
15 lodgings, or accommodations in any:

- 16 (1) hotel;
- 17 (2) motel;
- 18 (3) boat motel;
- 19 (4) inn; or
- 20 (5) tourist cabin;

21 located in the county.

22 (b) The tax does not apply to gross income received in a transaction
23 in which a person rents a room, lodging, or accommodations for a
24 period of thirty (30) days or more.

25 (c) The tax may not exceed the rate of ~~five percent (5%)~~ **eight**
26 **percent (8%)** on the gross retail income derived from lodging income
27 only and is in addition to the state gross retail tax imposed under
28 IC 6-2.5.

29 (d) The county fiscal body may adopt an ordinance to require that
30 the tax shall be paid monthly to the county treasurer. If such an
31 ordinance is adopted, the tax shall be paid to the county treasurer not
32 more than twenty (20) days after the end of the month the tax is
33 collected. If such an ordinance is not adopted, the tax shall be imposed,
34 paid, and collected in exactly the same manner as the state gross retail
35 tax is imposed, paid, and collected under IC 6-2.5.

36 (e) All of the provisions of IC 6-2.5 relating to rights, duties,
37 liabilities, procedures, penalties, definitions, exemptions, and
38 administration are applicable to the imposition and administration of
39 the tax imposed under this section except to the extent those provisions
40 are in conflict or inconsistent with the specific provisions of this
41 chapter or the requirements of the county treasurer. If the tax is paid to

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1 the department of state revenue, the return to be filed for the payment
2 of the tax under this section may be either a separate return or may be
3 combined with the return filed for the payment of the state gross retail
4 tax as the department of state revenue may, by rule, determine.

5 (f) If the tax is paid to the department of state revenue, the amounts
6 received from the tax imposed under this section shall be paid monthly
7 by the treasurer of state to the county treasurer upon warrants issued by
8 the state comptroller.

9 SECTION 123. IC 6-9-78.2 IS ADDED TO THE INDIANA CODE
10 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE
11 UPON PASSAGE]:

12 **Chapter 78.2. Rush County Food and Beverage Tax**

13 **Sec. 1. This chapter applies to Rush County.**

14 **Sec. 2. The definitions in IC 6-9-12-1 apply throughout this**
15 **chapter.**

16 **Sec. 3. (a) The fiscal body of the county may adopt an ordinance**
17 **on or before December 31, 2026, to impose an excise tax, known as**
18 **the county food and beverage tax, on transactions described in**
19 **section 4 of this chapter. The fiscal body of the county may adopt**
20 **an ordinance under this subsection only after the county fiscal**
21 **body has previously held at least one (1) separate public hearing in**
22 **which a discussion of the proposed ordinance to impose the county**
23 **food and beverage tax is the only substantive issue on the agenda**
24 **for the public hearing.**

25 (b) If the county fiscal body adopts an ordinance under
26 subsection (a), the county fiscal body shall immediately send a
27 certified copy of the ordinance to the department of state revenue.

28 (c) If the county fiscal body adopts an ordinance under
29 subsection (a), the county food and beverage tax applies to
30 transactions that occur after the later of the following:

- 31 (1) The day specified in the ordinance.
- 32 (2) The last day of the month that succeeds the month in
33 which the ordinance is adopted.

34 **Sec. 4. (a) Except as provided in subsection (c), a tax imposed**
35 **under section 3 of this chapter applies to a transaction in which**
36 **food or beverage is furnished, prepared, or served:**

- 37 (1) for consumption at a location or on equipment provided by
38 a retail merchant;
- 39 (2) in the county in which the tax is imposed; and
- 40 (3) by a retail merchant for consideration.

41 (b) Transactions described in subsection (a)(1) include
42 transactions in which food or beverage is:

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1 (1) served by a retail merchant off the merchant's premises;
 2 (2) sold in a heated state or heated by a retail merchant;
 3 (3) made of two (2) or more food ingredients, mixed or
 4 combined by a retail merchant for sale as a single item (other
 5 than food that is only cut, repackaged, or pasteurized by the
 6 seller, and eggs, fish, meat, poultry, and foods containing these
 7 raw animal foods requiring cooking by the consumer as
 8 recommended by the federal Food and Drug Administration
 9 in chapter 3, subpart 3-401.11 of its Food Code so as to
 10 prevent food borne illnesses); or

11 (4) sold with eating utensils provided by a retail merchant,
 12 including plates, knives, forks, spoons, glasses, cups, napkins,
 13 or straws (for purposes of this subdivision, a plate does not
 14 include a container or package used to transport food).

15 (c) The county food and beverage tax does not apply to the
 16 furnishing, preparing, or serving of a food or beverage in a
 17 transaction that is exempt, or to the extent the transaction is
 18 exempt, from the state gross retail tax imposed by IC 6-2.5.

19 Sec. 5. The county food and beverage tax rate:

- 20 (1) must be imposed in an increment of twenty-five
 21 hundredths percent (0.25%); and
 22 (2) may not exceed one percent (1%);

23 of the gross retail income received by the merchant from the food
 24 or beverage transaction described in section 4 of this chapter. For
 25 purposes of this chapter, the gross retail income received by the
 26 retail merchant from a transaction does not include the amount of
 27 tax imposed on the transaction under IC 6-2.5.

28 Sec. 6. A tax imposed under this chapter is imposed, paid, and
 29 collected in the same manner that the state gross retail tax is
 30 imposed, paid, and collected under IC 6-2.5. However, the return
 31 to be filed with the payment of the tax imposed under this chapter
 32 may be made on a separate return or may be combined with the
 33 return filed for the payment of the state gross retail tax, as
 34 prescribed by the department of state revenue.

35 Sec. 7. The amounts received from the tax imposed under this
 36 chapter shall be paid monthly by the treasurer of state to the
 37 county fiscal officer upon warrants issued by the state comptroller.

38 Sec. 8. (a) If a tax is imposed under section 3 of this chapter by
 39 the county, the county fiscal officer shall establish a food and
 40 beverage tax receipts fund.

41 (b) The county fiscal officer shall deposit in the fund all amounts
 42 received under this chapter.

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1 (c) Money earned from the investment of money in the fund
2 becomes a part of the fund.

3 Sec. 9. Money in the food and beverage tax receipts fund must
4 be used by the county only for the following purposes:

5 (1) Economic development and tourism related purposes or
6 facilities, including the purchase of land for economic
7 development or tourism related purposes.

8 (2) The pledge of money under IC 5-1-14-4 for bonds, leases,
9 or other obligations incurred for a purpose described in
10 subdivision (1).

11 Revenue derived from the imposition of a tax under this chapter
12 may be treated by the county as additional revenue for the purpose
13 of fixing its budget for the budget year during which the revenues
14 are to be distributed to the county.

15 Sec. 10. With respect to obligations for which a pledge has been
16 made under section 9 of this chapter, the general assembly
17 covenants with the holders of the obligations that this chapter will
18 not be repealed or amended in a manner that will adversely affect
19 the imposition or collection of the tax imposed under this chapter
20 if the payment of any of the obligations is outstanding.

21 Sec. 11. (a) If the county imposes the tax authorized by this
22 chapter, the tax terminates on July 1, 2049.

23 (b) This chapter expires July 1, 2049.

24 SECTION 124. IC 6-9-78.3 IS ADDED TO THE INDIANA CODE
25 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE
26 JULY 1, 2026]:

27 Chapter 78.3. Greendale Food and Beverage Tax

28 Sec. 1. This chapter applies to the city of Greendale.

29 Sec. 2. The definitions in IC 6-9-12-1 apply throughout this
30 chapter.

31 Sec. 3. (a) The fiscal body of the city may adopt an ordinance to
32 impose an excise tax, known as the city food and beverage tax, on
33 transactions described in section 4 of this chapter. The fiscal body
34 of the city may adopt an ordinance under this subsection only after
35 the city fiscal body has previously:

36 (1) adopted a resolution in support of the proposed city food
37 and beverage tax; and

38 (2) held at least one (1) separate public hearing in which a
39 discussion of the proposed ordinance to impose the city food
40 and beverage tax is the only substantive issue on the agenda
41 for the public hearing.

42 (b) If the city fiscal body adopts an ordinance under subsection

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1 (a), the city fiscal body shall immediately send a certified copy of
 2 the ordinance to the department of state revenue.
 3 (c) If the city fiscal body adopts an ordinance under subsection
 4 (a), the city food and beverage tax applies to transactions that
 5 occur after the last day of the month following the month in which
 6 the ordinance is adopted.
 7 Sec. 4. (a) Except as provided in subsection (c), a tax imposed
 8 under section 3 of this chapter applies to a transaction in which
 9 food or beverage is furnished, prepared, or served:
 10 (1) for consumption at a location or on equipment provided by
 11 a retail merchant;
 12 (2) in the city; and
 13 (3) by a retail merchant for consideration.
 14 (b) Transactions described in subsection (a)(1) include
 15 transactions in which food or beverage is:
 16 (1) served by a retail merchant off the merchant's premises;
 17 (2) sold in a heated state or heated by a retail merchant;
 18 (3) made of two (2) or more food ingredients, mixed or
 19 combined by a retail merchant for sale as a single item (other
 20 than food that is only cut, repackaged, or pasteurized by the
 21 seller, and eggs, fish, meat, poultry, and foods containing these
 22 raw animal foods requiring cooking by the consumer as
 23 recommended by the federal Food and Drug Administration
 24 in chapter 3, subpart 3-401.11 of its Food Code so as to
 25 prevent food borne illnesses); or
 26 (4) sold with eating utensils provided by a retail merchant,
 27 including plates, knives, forks, spoons, glasses, cups, napkins,
 28 or straws (for purposes of this subdivision, a plate does not
 29 include a container or package used to transport the food).
 30 (c) The city food and beverage tax does not apply to the
 31 furnishing, preparing, or serving of a food or beverage in a
 32 transaction that is exempt, or to the extent the transaction is
 33 exempt, from the state gross retail tax imposed by IC 6-2.5.
 34 Sec. 5. The city food and beverage tax rate:
 35 (1) must be imposed in an increment of twenty-five
 36 hundredths percent (0.25%); and
 37 (2) may not exceed one percent (1%);
 38 of the gross retail income received by the merchant from the food
 39 or beverage transaction described in section 4 of this chapter. For
 40 purposes of this chapter, the gross retail income received by the
 41 retail merchant from a transaction does not include the amount of
 42 tax imposed on the transaction under IC 6-2.5.

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1 **Sec. 6. A tax imposed under this chapter shall be imposed, paid,**
2 **and collected in the same manner that the state gross retail tax is**
3 **imposed, paid, and collected under IC 6-2.5. However, the return**
4 **to be filed with the payment of the tax imposed under this chapter**
5 **may be made on a separate return or may be combined with the**
6 **return filed for the payment of the state gross retail tax, as**
7 **prescribed by the department of state revenue.**

8 **Sec. 7. The amounts received from the tax imposed under this**
9 **chapter shall be paid monthly by the treasurer of state to the city**
10 **fiscal officer upon warrants issued by the state comptroller.**

11 **Sec. 8. (a) If a tax is imposed under section 3 of this chapter by**
12 **the city, the city fiscal officer shall establish a food and beverage**
13 **tax receipts fund.**

14 **(b) The city fiscal officer shall deposit in the fund all amounts**
15 **received under this chapter.**

16 **(c) Money earned from the investment of money in the fund**
17 **becomes a part of the fund.**

18 **Sec. 9. Money in the food and beverage tax receipts fund must**
19 **be used by the city only for the following purposes:**

20 **(1) Park and recreation purposes, including the purchase of**
21 **land for park and recreation purposes.**

22 **(2) Economic development and tourism related purposes or**
23 **facilities, including the purchase of land for economic**
24 **development or tourism related purposes.**

25 **(3) The pledge of money under IC 5-1-14-4 for bonds, leases,**
26 **or other obligations incurred for a purpose described in**
27 **subdivisions (1) and (2).**

28 **Sec. 10. With respect to obligations for which a pledge has been**
29 **made under section 9 of this chapter, the general assembly**
30 **covenants with the holders of the obligations that this chapter will**
31 **not be repealed or amended in a manner that will adversely affect**
32 **the imposition or collection of the tax imposed under this chapter**
33 **if the payment of any of the obligations is outstanding.**

34 **Sec. 11. (a) If the city imposes the tax authorized by this chapter,**
35 **the tax terminates on January 1, 2048.**

36 **(b) This chapter expires January 1, 2048.**

37 SECTION 125. IC 8-22-3.5-11, AS AMENDED BY P.L.86-2018,
38 SECTION 144, IS AMENDED TO READ AS FOLLOWS
39 [EFFECTIVE UPON PASSAGE]: Sec. 11. (a) The state board of
40 accounts and the department of local government finance shall make
41 the rules and prescribe the forms and procedures that the state board of
42 accounts and department consider appropriate for the implementation

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1 of this chapter.

2 (b) After each reassessment under IC 6-1.1-4, the ~~department of~~
3 ~~local government finance~~ **county auditor** shall, **on forms prescribed**
4 **by the department of local government finance**, adjust the base
5 assessed value (as defined in section 9 of this chapter) one (1) time to
6 neutralize any effect of the reassessment on the property tax proceeds
7 allocated to the airport development zone's special funds under section
8 9 of this chapter.

9 (c) After each annual adjustment under IC 6-1.1-4-4.5, the
10 ~~department of local government finance~~ **county auditor** shall, **on**
11 **forms prescribed by the department of local government finance**,
12 adjust the base assessed value (as defined in section 9 of this chapter)
13 to neutralize any effect of the annual adjustment on the property tax
14 proceeds allocated to the airport development zone's special funds
15 under section 9 of this chapter.

16 (d) **The county auditor shall, in the manner prescribed by the**
17 **department of local government finance, submit the forms**
18 **required by this section to the department of local government**
19 **finance no later than July 15 of each year. If the county auditor**
20 **fails to submit the forms by the deadline under this subsection, the**
21 **county auditor shall allocate five percent (5%) of the assessed**
22 **value in the allocation area that is used to calculate the allocation**
23 **and distribution of allocated tax proceeds under this section to the**
24 **respective taxing units. However, if the commission notifies the**
25 **county auditor and the department of local government finance, no**
26 **later than July 15, that it is unable to meet its debt service**
27 **obligations with regard to the allocation area without all or part of**
28 **the allocated tax proceeds attributed to the assessed value that has**
29 **been allocated to the respective taxing units, then the county**
30 **auditor may not allocate five percent (5%) of the assessed value in**
31 **the allocation area that is used to calculate the allocation and**
32 **distribution of allocated tax proceeds under this section to the**
33 **respective taxing units.**

34 SECTION 126. IC 9-13-2-96, AS AMENDED BY P.L.42-2025,
35 SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
36 UPON PASSAGE]: Sec. 96. (a) "Manufactured home", ~~means~~, except
37 as provided in subsections (b) and (c), a structure that:

- 38 (1) is assembled in a factory;
- 39 (2) bears a seal certifying that it was built in compliance with the
40 federal Manufactured Housing Construction and Safety Standards
41 Law (42 U.S.C. 5401 et seq.);
- 42 (3) is designed to be transported from the factory to another site

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1 in one (1) or more units;
 2 (4) is suitable for use as a dwelling in any season; and
 3 (5) is more than thirty-five (35) feet long.
 4 The term does not include a vehicle described in section 150(a)(2) of
 5 this chapter.
 6 (b) "Manufactured home", for purposes of IC 9-17-6, means either
 7 of the following:
 8 (1) A structure having the meaning set forth in the federal
 9 Manufactured Housing Construction and Safety Standards Law of
 10 1974 (42 U.S.C. 5401 et seq.);
 11 (2) A mobile home.
 12 This subsection expires June 30, 2016; subsection (b), has the
 13 meaning set forth in 42 U.S.C. 5402(6), as amended. However, the
 14 term also includes a structure that meets the definition and is more
 15 than thirty-five (35) body feet in length but less than forty (40)
 16 body feet in length.
 17 (c) (b) "Manufactured home", for purposes of IC 9-22-1.7, has the
 18 meaning set forth in IC 9-22-1.7-2.
 19 SECTION 127. IC 9-22-1.5-1, AS AMENDED BY P.L.256-2017,
 20 SECTION 163, IS AMENDED TO READ AS FOLLOWS
 21 [EFFECTIVE UPON PASSAGE]: Sec. 1. As used in this chapter,
 22 "mobile home" means a nonself-propelled vehicle designed for
 23 occupancy as a dwelling or sleeping place; has the meaning set forth
 24 in IC 9-13-2-103.2. The term includes a manufactured home (as
 25 defined in IC 9-13-2-96(a)).
 26 SECTION 128. IC 9-22-1.7-2, AS ADDED BY P.L.198-2016,
 27 SECTION 377, IS AMENDED TO READ AS FOLLOWS
 28 [EFFECTIVE UPON PASSAGE]: Sec. 2. As used in this chapter,
 29 "manufactured home" means either of the following:
 30 (1) A nonself-propelled vehicle designed for occupancy as a
 31 dwelling or sleeping place. A manufactured home as defined in
 32 IC 9-13-2-96(a).
 33 (2) A dwelling, including the equipment sold as a part of the
 34 dwelling, that:
 35 (A) is factory assembled;
 36 (B) is transportable;
 37 (C) is intended for year-round occupancy;
 38 (D) is designed for transportation on its own chassis; and
 39 (E) was manufactured before the effective date of the federal
 40 Manufactured Housing Construction and Safety Standards
 41 Law of 1974 (42 U.S.C. 5401 et seq.). A mobile home (as
 42 defined in IC 9-13-2-103.2).

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1 SECTION 129. IC 16-18-2-215.5, AS ADDED BY P.L.87-2005,
 2 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 3 UPON PASSAGE]: Sec. 215.5. "Manufactured home", for purposes of
 4 IC 16-41-27, has the meaning set forth in ~~IC 22-12-1-16.~~
 5 **IC 9-13-2-96(a). The term includes a mobile home (as defined in**
 6 **IC 9-13-2-103.2).**

7 SECTION 130. IC 16-18-2-238 IS AMENDED TO READ AS
 8 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 238. "Mobile
 9 home", for purposes of IC 16-41-27, has meaning set forth in
 10 ~~IC 16-41-27-4.~~ **IC 9-13-2-103.2. The term includes a manufactured**
 11 **home (as defined in IC 9-13-2-96(a)).**

12 SECTION 131. IC 16-41-27-3.5, AS ADDED BY P.L.87-2005,
 13 SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 14 UPON PASSAGE]: Sec. 3.5. As used in this chapter, "manufactured
 15 home" has the meaning set forth in ~~IC 22-12-1-16.~~ **IC 9-13-2-96(a).**
 16 **The term includes a mobile home (as defined in IC 9-13-2-103.2).**

17 SECTION 132. IC 16-41-27-4, AS AMENDED BY P.L.87-2005,
 18 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 19 UPON PASSAGE]: Sec. 4. As used in this chapter, "mobile home"
 20 means a dwelling, including the equipment sold as a part of the
 21 dwelling, that:

- 22 (1) is factory assembled;
- 23 (2) is transportable;
- 24 (3) is intended for year-round occupancy;
- 25 (4) is designed for transportation on its own chassis; and
- 26 (5) was manufactured before the effective date of the federal
 27 Manufactured Housing Construction and Safety Standards Law of
 28 1974 (42 U.S.C. 5401 et seq.); has the meaning set forth in
 29 **IC 9-13-2-103.2. The term includes a manufactured home (as**
 30 **defined in IC 9-13-2-96(a)).**

31 SECTION 133. IC 22-12-1-14 IS AMENDED TO READ AS
 32 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 14. "Industrialized
 33 building system" means any part of a building or other structure that is
 34 in whole or in substantial part fabricated in an off-site manufacturing
 35 facility for installation or assembly at the building site as part of a Class
 36 1 structure, a Class 2 structure, or another building or structure.
 37 However, the term does not include a mobile structure, a
 38 **manufactured home**, or a system that is capable of inspection at the
 39 building site.

40 SECTION 134. IC 22-12-1-16, AS AMENDED BY P.L.198-2016,
 41 SECTION 651, IS AMENDED TO READ AS FOLLOWS

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1 [EFFECTIVE UPON PASSAGE]: Sec. 16. "Manufactured home" has
2 the meaning set forth in ~~42 U.S.C. 5402 as it existed on January 1,~~
3 ~~2003. IC 9-13-2-96(a).~~ The term includes a mobile home (as defined
4 in ~~IC 16-41-27-4~~). **as defined in IC 9-13-2-103.2.**

5 SECTION 135. IC 22-12-1-17, AS AMENDED BY P.L.101-2006,
6 SECTION 31, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
7 UPON PASSAGE]: Sec. 17. (a) "Mobile structure" means any part of
8 a fabricated unit that is designed to be:

- 9 (1) towed ~~on its own~~ **with or without a permanent** chassis; and
- 10 (2) connected to utilities for year-round occupancy or use as a
11 Class 1 structure, a Class 2 structure, or another structure.

12 (b) The term includes the following:

- 13 (1) Two (2) or more components that can be retracted for towing
14 purposes and subsequently expanded for additional capacity.
- 15 (2) Two (2) or more units that are separately towable but designed
16 to be joined into one (1) integral unit.
- 17 (3) One (1) or more units that include a hoisting and lowering
18 mechanism equipped with a platform that:
 - 19 (A) moves between two (2) or more landings; and
 - 20 (B) is used to transport one (1) or more individuals.

21 SECTION 136. IC 25-23.7-2-7, AS AMENDED BY P.L.87-2005,
22 SECTION 33, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
23 UPON PASSAGE]: Sec. 7. "Manufactured home" ~~means a:~~

- 24 ~~(1) dwelling meeting the definition set forth in IC 22-12-1-16; or~~
- 25 ~~(2) mobile home being installed in a mobile home community;~~
26 **has the meaning set forth in IC 9-13-2-96(a). The term**
27 **includes a mobile home (as defined in IC 9-13-2-103.2).**

28 SECTION 137. IC 25-23.7-2-7.5, AS ADDED BY P.L.87-2005,
29 SECTION 34, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
30 UPON PASSAGE]: Sec. 7.5. "Mobile home" has the meaning set forth
31 in ~~IC 16-41-27-4~~. **IC 9-13-2-103.2. The term includes a**
32 **manufactured home (as defined in IC 9-13-2-96(a)).**

33 SECTION 138. IC 25-23.7-3-8, AS AMENDED BY P.L.84-2016,
34 SECTION 108, IS AMENDED TO READ AS FOLLOWS
35 [EFFECTIVE UPON PASSAGE]: Sec. 8. The board shall:

- 36 (1) enforce and administer this article;
- 37 (2) adopt rules under IC 4-22-2 for the administration and
38 enforcement of this article, including competency standards and
39 a code of ethics for licensed installers;
- 40 (3) prescribe the requirements for and the form of licenses issued
41 or renewed under this article;

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- 1 (4) issue, deny, suspend, and revoke licenses in accordance with
- 2 this article;
- 3 (5) in accordance with IC 25-1-7, investigate and prosecute
- 4 complaints involving licensees or individuals the board has
- 5 reason to believe should be licensees, including complaints
- 6 concerning the failure to comply with this article or rules adopted
- 7 under this article;
- 8 (6) bring actions in the name of the state of Indiana in an
- 9 appropriate circuit court, superior court, or probate court to
- 10 enforce compliance with this article or rules adopted under this
- 11 article;
- 12 (7) establish fees in accordance with IC 25-1-8;
- 13 (8) inspect the records of a licensee in accordance with rules
- 14 adopted by the board;
- 15 (9) conduct or designate a board member or other representative
- 16 to conduct public hearings on any matter for which a hearing is
- 17 required under this article and to exercise all powers granted
- 18 under IC 4-21.5; ~~and~~
- 19 (10) maintain the board's office, files, records, and property in the
- 20 city of Indianapolis; ~~and~~
- 21 **(11) ensure any certification or recertification required by 42**
- 22 **U.S.C. 5403, as amended, or any other provision of the federal**
- 23 **Manufactured Housing Construction and Safety Standards**
- 24 **Law (42 U.S.C. 5401 et seq.), is submitted to or has been**
- 25 **included in a plan submitted to the secretary of the United**
- 26 **States Department of Housing and Urban Development.**
- 27 SECTION 139. IC 26-1-9.1-102, AS AMENDED BY P.L.199-2023,
- 28 SECTION 40, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 29 UPON PASSAGE]: Sec. 102. (a) In IC 26-1-9.1:
- 30 (1) "Accession" means goods that are physically united with other
- 31 goods in such a manner that the identity of the original goods is
- 32 not lost.
- 33 (2) "Account", except as used in "account for", "account
- 34 statement", "account to", "commodity account" in subdivision
- 35 (14), "customer's account", "deposit account" in subdivision (29),
- 36 "on account of", and "statement of account", means a right to
- 37 payment of a monetary obligation, whether or not earned by
- 38 performance:
- 39 (A) for property that has been or is to be sold, leased, licensed,
- 40 assigned, or otherwise disposed of;
- 41 (B) for services rendered or to be rendered;
- 42 (C) for a policy of insurance issued or to be issued;

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- 1 (D) for a secondary obligation incurred or to be incurred;
- 2 (E) for energy provided or to be provided;
- 3 (F) for the use or hire of a vessel under a charter or other
- 4 contract;
- 5 (G) arising out of the use of a credit or charge card or
- 6 information contained on or for use with the card; or
- 7 (H) as winnings in a lottery or other game of chance operated
- 8 or sponsored by a state other than Indiana, a governmental unit
- 9 of a state, or a person licensed or authorized to operate the
- 10 game by a state or governmental unit of a state.
- 11 The term does not include a right to a payment of a prize awarded
- 12 by the state lottery commission in the Indiana state lottery
- 13 established under IC 4-30. The term includes controllable
- 14 accounts and health-care-insurance receivables. The term does
- 15 not include (i) chattel paper, (ii) commercial tort claims, (iii)
- 16 deposit accounts, (iv) investment property, (v) letter-of-credit
- 17 rights or letters of credit, (vi) rights to payment for money or
- 18 funds advanced or sold, other than rights arising out of the use of
- 19 a credit or charge card or information contained on or for use with
- 20 the card, or (vii) rights to payment evidenced by an instrument.
- 21 (3) "Account debtor" means a person obligated on an account,
- 22 chattel paper, or general intangible. The term does not include
- 23 persons obligated to pay a negotiable instrument, even if the
- 24 negotiable instrument evidences chattel paper.
- 25 (4) "Accounting", except as used in "accounting for", means a
- 26 record:
 - 27 (A) signed by a secured party;
 - 28 (B) indicating the aggregate unpaid secured obligations as of
 - 29 a date not more than thirty-five (35) days earlier or thirty-five
 - 30 (35) days later than the date of the record; and
 - 31 (C) identifying the components of the obligations in
 - 32 reasonable detail.
- 33 (5) "Agricultural lien" means an interest, other than a security
- 34 interest, in farm products:
 - 35 (A) that secures payment or performance of an obligation for:
 - 36 (i) goods or services furnished in connection with a debtor's
 - 37 farming operation; or
 - 38 (ii) rent on real property leased by a debtor in connection
 - 39 with the debtor's farming operation;
 - 40 (B) that is created by statute in favor of a person that:
 - 41 (i) in the ordinary course of its business furnished goods or

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- 1 services to a debtor in connection with the debtor's farming
- 2 operation; or
- 3 (ii) leased real property to a debtor in connection with the
- 4 debtor's farming operation; and
- 5 (C) whose effectiveness does not depend on the person's
- 6 possession of the personal property.
- 7 (6) "As-extracted collateral" means:
- 8 (A) oil, gas, or other minerals that are subject to a security
- 9 interest that:
- 10 (i) is created by a debtor having an interest in the minerals
- 11 before extraction; and
- 12 (ii) attaches to the minerals as extracted; or
- 13 (B) accounts arising out of the sale at the wellhead or
- 14 minehead of oil, gas, or other minerals in which the debtor had
- 15 an interest before extraction.
- 16 (7) The following terms have the following meanings:
- 17 (A) "Assignee", except as used in "assignee for benefit of
- 18 creditors", means a person (i) in whose favor a security interest
- 19 that secures an obligation is created or provided for under a
- 20 security agreement, whether or not the obligation is
- 21 outstanding or (ii) to which an account, chattel paper, payment
- 22 intangible, or promissory note has been sold. The term
- 23 includes a person to which a security interest has been
- 24 transferred by a secured party.
- 25 (B) "Assignor" means a person that (i) under a security
- 26 agreement creates or provides for a security interest that
- 27 secures an obligation or (ii) sells an account, chattel paper,
- 28 payment intangible, or promissory note. The term includes a
- 29 secured party that has transferred a security interest to another
- 30 person.
- 31 (8) "Bank" means an organization that is engaged in the business
- 32 of banking. The term includes savings banks, savings and loan
- 33 associations, credit unions, and trust companies.
- 34 (9) "Cash proceeds" means proceeds that are money, checks,
- 35 deposit accounts, or the like.
- 36 (10) "Certificate of title" means a certificate of title with respect
- 37 to which a statute provides for the security interest in question to
- 38 be indicated on the certificate as a condition or result of the
- 39 security interest's obtaining priority over the rights of a lien
- 40 creditor with respect to the collateral. The term includes another
- 41 record maintained as an alternative to a certificate of title by the

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1 governmental unit that issues certificates of title if a statute
 2 permits the security interest in question to be indicated on the
 3 record as a condition or result of the security interest's obtaining
 4 priority over the rights of a lien creditor with respect to the
 5 collateral.

6 (11) "Chattel paper" means:

7 (A) a right to payment of a monetary obligation secured by
 8 specific goods, if the right to payment and security interest are
 9 evidenced by a record; or

10 (B) a right to payment of a monetary obligation owed by a
 11 lessee under a lease agreement with respect to specific goods
 12 and a monetary obligation owed by the lessee in connection
 13 with the transaction giving rise to the lease if:

14 (i) the right to payment and lease agreement are evidenced
 15 by a record; and

16 (ii) the predominant purpose of the transaction giving rise to
 17 the lease was to give the lessee the right to possession and
 18 use of the goods.

19 The term does not include a right to payment arising out of a
 20 charter or other contract involving the use or hire of a vessel, or
 21 a right to payment arising out of the use of a credit or charge card
 22 or information contained on or for use with the card.

23 (12) "Collateral" means the property subject to a security interest
 24 or agricultural lien. The term includes:

25 (A) proceeds to which a security interest attaches;

26 (B) accounts, chattel paper, payment intangibles, and
 27 promissory notes that have been sold; and

28 (C) goods that are the subject of a consignment.

29 (13) "Commercial tort claim" means a claim arising in tort with
 30 respect to which:

31 (A) the claimant is an organization; or

32 (B) the claimant is an individual and the claim:

33 (i) arose in the course of the claimant's business or
 34 profession; and

35 (ii) does not include damages arising out of personal injury
 36 to or the death of an individual.

37 (14) "Commodity account" means an account maintained by a
 38 commodity intermediary in which a commodity contract is carried
 39 for a commodity customer.

40 (15) "Commodity contract" means a commodity futures contract,
 41 an option on a commodity futures contract, a commodity option,

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1 or another contract if the contract or option is:

2 (A) traded on or subject to the rules of a board of trade that has
3 been designated as a contract market for such a contract
4 pursuant to federal commodities laws; or

5 (B) traded on a foreign commodity board of trade, exchange,
6 or market, and is carried on the books of a commodity
7 intermediary for a commodity customer.

8 (16) "Commodity customer" means a person for which a
9 commodity intermediary carries a commodity contract on its
10 books.

11 (17) "Commodity intermediary" means a person that:

12 (A) is registered as a futures commission merchant under
13 federal commodities law; or

14 (B) in the ordinary course of its business provides clearance or
15 settlement services for a board of trade that has been
16 designated as a contract market pursuant to federal
17 commodities law.

18 (18) "Communicate" means:

19 (A) to send a written or other tangible record;

20 (B) to transmit a record by any means agreed upon by the
21 persons sending and receiving the record; or

22 (C) in the case of transmission of a record to or by a filing
23 office, to transmit a record by any means prescribed by
24 filing-office rule.

25 (19) "Consignee" means a merchant to which goods are delivered
26 in a consignment.

27 (20) "Consignment" means a transaction, regardless of its form,
28 in which a person delivers goods to a merchant for the purpose of
29 sale and:

30 (A) the merchant:

31 (i) deals in goods of that kind under a name other than the
32 name of the person making delivery;

33 (ii) is not an auctioneer; and

34 (iii) is not generally known by its creditors to be
35 substantially engaged in selling the goods of others;

36 (B) with respect to each delivery, the aggregate value of the
37 goods is one thousand dollars (\$1,000) or more at the time of
38 delivery;

39 (C) the goods are not consumer goods immediately before
40 delivery; and

41 (D) the transaction does not create a security interest that

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- 1 secures an obligation.
- 2 (21) "Consignor" means a person that delivers goods to a
- 3 consignee in a consignment.
- 4 (22) "Consumer debtor" means a debtor in a consumer
- 5 transaction.
- 6 (23) "Consumer goods" means goods that are used or bought for
- 7 use primarily for personal, family, or household purposes.
- 8 (24) "Consumer-goods transaction" means a consumer transaction
- 9 in which:
- 10 (A) an individual incurs an obligation primarily for personal,
- 11 family, or household purposes; and
- 12 (B) a security interest in consumer goods secures the
- 13 obligation.
- 14 (25) "Consumer obligor" means an obligor who is an individual
- 15 and who incurred the obligation as part of a transaction entered
- 16 into primarily for personal, family, or household purposes.
- 17 (26) "Consumer transaction" means a transaction in which (i) an
- 18 individual incurs an obligation primarily for personal, family, or
- 19 household purposes, (ii) a security interest secures the obligation,
- 20 and (iii) the collateral is held or acquired primarily for personal,
- 21 family, or household purposes. The term includes
- 22 consumer-goods transactions.
- 23 (27) The following terms have the following meanings:
- 24 (A) "Continuation statement" means an amendment of a
- 25 financing statement that:
- 26 (i) identifies, by its file number, the initial financing
- 27 statement to which it relates; and
- 28 (ii) indicates that it is a continuation statement for, or that it
- 29 is filed to continue the effectiveness of, the identified
- 30 financing statement.
- 31 (B) "Controllable account" means an account evidenced by a
- 32 controllable electronic record that provides that the account
- 33 debtor undertakes to pay the person that has control under
- 34 IC 26-1-12-105 of the controllable electronic record.
- 35 (C) "Controllable payment intangible" means a payment
- 36 intangible evidenced by a controllable electronic record that
- 37 provides that the account debtor undertakes to pay the person
- 38 that has control under IC 26-1-12-105 of the controllable
- 39 electronic record.
- 40 (28) "Debtor" means:
- 41 (A) a person having an interest, other than a security interest

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- 1 or other lien, in the collateral, whether or not the person is an
 2 obligor;
 3 (B) a seller of accounts, chattel paper, payment intangibles, or
 4 promissory notes; or
 5 (C) a consignee.
- 6 (29) "Deposit account" means a demand, time, savings, passbook,
 7 or similar account maintained with a bank. The term does not
 8 include investment property or accounts evidenced by an
 9 instrument.
- 10 (30) "Document" means a document of title or a receipt of the
 11 type described in IC 26-1-7-201(b).
- 12 (31) [Reserved.]
- 13 (32) "Encumbrance" means a right, other than an ownership
 14 interest, in real property. The term includes mortgages and other
 15 liens on real property.
- 16 (33) "Equipment" means goods other than inventory, farm
 17 products, or consumer goods.
- 18 (34) "Farm products" means goods, other than standing timber,
 19 with respect to which the debtor is engaged in a farming operation
 20 and which are:
- 21 (A) crops grown, growing, or to be grown, including:
 22 (i) crops produced on trees, vines, and bushes; and
 23 (ii) aquatic goods produced in aquacultural operations;
 24 (B) livestock, born or unborn, including aquatic goods
 25 produced in aquacultural operations;
 26 (C) supplies used or produced in a farming operation; or
 27 (D) products of crops or livestock in their unmanufactured
 28 states.
- 29 (35) "Farming operation" means raising, cultivating, propagating,
 30 fattening, grazing, or any other farming, livestock, or aquacultural
 31 operation.
- 32 (36) "File number" means the number assigned to an initial
 33 financing statement pursuant to IC 26-1-9.1-519(a).
- 34 (37) "Filing office" means an office designated in IC 26-1-9.1-501
 35 as the place to file a financing statement.
- 36 (38) "Filing-office rule" means a rule adopted pursuant to
 37 IC 26-1-9.1-526.
- 38 (39) "Financing statement" means a record or records composed
 39 of an initial financing statement and any filed record relating to
 40 the initial financing statement.
- 41 (40) "Fixture filing" means the filing of a financing statement

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1 covering goods that are or are to become fixtures and satisfying
 2 IC 26-1-9.1-502(a) and IC 26-1-9.1-502(b). The term includes the
 3 filing of a financing statement covering goods of a transmitting
 4 utility which are or are to become fixtures.
 5 (41) "Fixtures" means goods that have become so related to
 6 particular real property that an interest in them arises under real
 7 property law.
 8 (42) "General intangible" means any personal property, including
 9 things in action, other than accounts, chattel paper, commercial
 10 tort claims, deposit accounts, documents, goods, instruments,
 11 investment property, letter-of-credit rights, letters of credit,
 12 money, and oil, gas, or other minerals before extraction. The term
 13 includes controllable electronic records, payment intangibles, and
 14 software.
 15 (43) "Good faith" means honesty in fact and the observance of
 16 reasonable commercial standards of fair dealing.
 17 (44) "Goods" means all things that are movable when a security
 18 interest attaches. The term includes (i) fixtures, (ii) standing
 19 timber that is to be cut and removed under a conveyance or
 20 contract for sale, (iii) the unborn young of animals, (iv) crops
 21 grown, growing, or to be grown, even if the crops are produced on
 22 trees, vines, or bushes, and (v) manufactured homes. The term
 23 also includes a computer program embedded in goods and any
 24 supporting information provided in connection with a transaction
 25 relating to the program if (i) the program is associated with the
 26 goods in such a manner that it customarily is considered part of
 27 the goods, or (ii) by becoming the owner of the goods, a person
 28 acquires a right to use the program in connection with the goods.
 29 The term does not include a computer program embedded in
 30 goods that consist solely of the medium in which the program is
 31 embedded. The term also does not include accounts, chattel
 32 paper, commercial tort claims, deposit accounts, documents,
 33 general intangibles, instruments, investment property,
 34 letter-of-credit rights, letters of credit, money, or oil, gas, or other
 35 minerals before extraction.
 36 (45) "Governmental unit" means a subdivision, agency,
 37 department, county, parish, municipality, or other unit of the
 38 government of the United States, a state, or a foreign country. The
 39 term includes an organization having a separate corporate
 40 existence if the organization is eligible to issue debt on which
 41 interest is exempt from income taxation under the laws of the

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- 1 United States.
- 2 (46) "Health-care-insurance receivable" means an interest in or
3 claim under a policy of insurance that is a right to payment of a
4 monetary obligation for health-care goods or services provided.
- 5 (47) "Instrument" means a negotiable instrument or any other
6 writing that evidences a right to the payment of a monetary
7 obligation, is not itself a security agreement or lease, and is of a
8 type that in the ordinary course of business is transferred by
9 delivery with any necessary endorsement or assignment. The term
10 does not include (i) investment property, (ii) letters of credit, (iii)
11 writings that evidence a right to payment arising out of the use of
12 a credit or charge card or information contained on or for use with
13 the card, or (iv) writings that evidence chattel paper.
- 14 (48) "Inventory" means goods, other than farm products, that:
15 (A) are leased by a person as lessor;
16 (B) are held by a person for sale or lease or to be furnished
17 under a contract of service;
18 (C) are furnished by a person under a contract of service; or
19 (D) consist of raw materials, work in process, or materials
20 used or consumed in a business.
- 21 (49) "Investment property" means a security, whether certificated
22 or uncertificated, security entitlement, securities account,
23 commodity contract, or commodity account.
- 24 (50) "Jurisdiction of organization", with respect to a registered
25 organization, means the jurisdiction under whose law the
26 organization is formed or organized.
- 27 (51) "Letter-of-credit right" means a right to payment or
28 performance under a letter of credit, whether or not the
29 beneficiary has demanded or is at the time entitled to demand
30 payment or performance. The term does not include the right of
31 a beneficiary to demand payment or performance under a letter of
32 credit.
- 33 (52) "Lien creditor" means:
34 (A) a creditor that has acquired a lien on the property involved
35 by attachment, levy, or the like;
36 (B) an assignee for benefit of creditors from the time of
37 assignment;
38 (C) a trustee in bankruptcy from the date of the filing of the
39 petition; or
40 (D) a receiver in equity from the time of appointment.
- 41 (53) "Manufactured home" means a structure, transportable in one

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1 (1) or more sections, which, in the traveling mode, is eight (8)
 2 body feet or more in width or forty (40) body feet or more in
 3 length, or, when erected on site, is three hundred twenty (320) or
 4 more square feet, and which is built ~~on~~ **with or without** a
 5 permanent chassis and designed to be used as a dwelling with or
 6 without a permanent foundation when connected to the required
 7 utilities, and includes the plumbing, heating, air conditioning, and
 8 electrical systems contained therein. The term includes any
 9 structure that meets all of the requirements of this subdivision
 10 except the size requirements, and with respect to which the
 11 manufacturer voluntarily files a certification required by the
 12 United States Secretary of Housing and Urban Development and
 13 complies with the standards established under Title 42 of the
 14 United States Code.

15 (54) The following terms have the following meanings:

16 (A) "Manufactured-home transaction" means a secured
 17 transaction:

18 (i) that creates a purchase-money security interest in a
 19 manufactured home, other than a manufactured home held
 20 as inventory; or

21 (ii) in which a manufactured home, other than a
 22 manufactured home held as inventory, is the primary
 23 collateral.

24 (B) "Money" has the meaning set forth in IC 26-1-1-201(24),
 25 but does not include a deposit account.

26 (55) "Mortgage" means a consensual interest in real property,
 27 including fixtures, that secures payment or performance of an
 28 obligation.

29 (56) "New debtor" means a person that becomes bound as debtor
 30 under IC 26-1-9.1-203(d) by a security agreement previously
 31 entered into by another person.

32 (57) "New value" means (i) money, (ii) money's worth in
 33 property, services, or new credit, or (iii) release by a transferee of
 34 an interest in property previously transferred to the transferee.
 35 The term does not include an obligation substituted for another
 36 obligation.

37 (58) "Noncash proceeds" means proceeds other than cash
 38 proceeds.

39 (59) "Obligor" means a person that, with respect to an obligation
 40 secured by a security interest in or an agricultural lien on the
 41 collateral, (i) owes payment or other performance of the

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1 obligation, (ii) has provided property other than the collateral to
 2 secure payment or other performance of the obligation, or (iii) is
 3 otherwise accountable in whole or in part for payment or other
 4 performance of the obligation. The term does not include issuers
 5 or nominated persons under a letter of credit.

6 (60) "Original debtor", except as used in IC 26-1-9.1-310(c),
 7 means a person that, as debtor, entered into a security agreement
 8 to which a new debtor has become bound under
 9 IC 26-1-9.1-203(d).

10 (61) "Payment intangible" means a general intangible under
 11 which the account debtor's principal obligation is a monetary
 12 obligation. The term includes a controllable payment intangible.

13 (62) "Person related to", with respect to an individual, means:

14 (A) the spouse of the individual;

15 (B) a brother, brother-in-law, sister, or sister-in-law of the
 16 individual;

17 (C) an ancestor or lineal descendant of the individual or the
 18 individual's spouse; or

19 (D) any other relative, by blood or marriage, of the individual
 20 or the individual's spouse who shares the same home with the
 21 individual.

22 (63) "Person related to", with respect to an organization, means:

23 (A) a person directly or indirectly controlling, controlled by,
 24 or under common control with the organization;

25 (B) an officer or director of, or a person performing similar
 26 functions with respect to, the organization;

27 (C) an officer or director of, or a person performing similar
 28 functions with respect to, a person described in clause (A);

29 (D) the spouse of an individual described in clause (A), (B), or
 30 (C); or

31 (E) an individual who is related by blood or marriage to an
 32 individual described in clause (A), (B), (C), or (D) and shares
 33 the same home with the individual.

34 (64) "Proceeds", except as used in IC 26-1-9.1-609(b), means the
 35 following property:

36 (A) Whatever is acquired upon the sale, lease, license,
 37 exchange, or other disposition of collateral.

38 (B) Whatever is collected on, or distributed on account of,
 39 collateral.

40 (C) Rights arising out of collateral.

41 (D) To the extent of the value of collateral, claims arising out

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1 of the loss, nonconformity, or interference with the use of,
 2 defects or infringement of rights in, or damage to, the
 3 collateral.
 4 (E) To the extent of the value of collateral and to the extent
 5 payable to the debtor or the secured party, insurance payable
 6 by reason of the loss or nonconformity of, defects or
 7 infringement of rights in, or damage to, the collateral.
 8 (65) "Promissory note" means an instrument that evidences a
 9 promise to pay a monetary obligation, does not evidence an order
 10 to pay, and does not contain an acknowledgment by a bank that
 11 the bank has received for deposit a sum of money or funds.
 12 (66) "Proposal" means a record signed by a secured party that
 13 includes the terms on which the secured party is willing to accept
 14 collateral in full or partial satisfaction of the obligation it secures
 15 pursuant to IC 26-1-9.1-620, IC 26-1-9.1-621, and
 16 IC 26-1-9.1-622.
 17 (67) "Public-finance transaction" means a secured transaction in
 18 connection with which:
 19 (A) debt securities are issued;
 20 (B) all or a portion of the securities issued have an initial
 21 stated maturity of at least twenty (20) years; and
 22 (C) the debtor, obligor, secured party, account debtor, or other
 23 person obligated on collateral, assignor or assignee of a
 24 secured obligation, or assignor or assignee of a security
 25 interest is a state or a governmental unit of a state.
 26 (68) "Public organic record" means a record that is available to
 27 the public for inspection and is:
 28 (A) a record consisting of the record initially filed with or
 29 issued by a state or the United States to form or organize an
 30 organization and any record filed with or issued by the state or
 31 the United States which amends or restates the initial record;
 32 (B) an organic record of a business trust consisting of the
 33 record initially filed with a state and any record filed with the
 34 state which amends or restates the initial record, if a statute of
 35 the state governing business trusts requires that the record be
 36 filed with the state; or
 37 (C) a record consisting of legislation enacted by the legislature
 38 of a state or the Congress of the United States which forms or
 39 organizes an organization, any record amending the
 40 legislation, and any record filed with or issued by the state or
 41 the United States which amends or restates the name of the

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- 1 organization.
- 2 (69) "Pursuant to commitment", with respect to an advance made
- 3 or other value given by a secured party, means pursuant to the
- 4 secured party's obligation, whether or not a subsequent event of
- 5 default or other event not within the secured party's control has
- 6 relieved or may relieve the secured party from its obligation.
- 7 (70) "Record", except as used in "for record", "of record", "record
- 8 or legal title", and "record owner", means information that is
- 9 inscribed on a tangible medium or that is stored in an electronic
- 10 or other medium and is retrievable in perceivable form.
- 11 (71) "Registered organization" means an organization formed or
- 12 organized solely under the law of a single state or the United
- 13 States by the filing of a public organic record with, the issuance
- 14 of a public organic record by, or the enactment of legislation by
- 15 the state or the United States. The term includes a business trust
- 16 that is formed or organized under the law of a single state if a
- 17 statute of the state governing business trusts requires that the
- 18 business trust's organic record be filed with the state.
- 19 (72) "Secondary obligor" means an obligor to the extent that:
- 20 (A) the obligor's obligation is secondary; or
- 21 (B) the obligor has a right of recourse with respect to an
- 22 obligation secured by collateral against the debtor, another
- 23 obligor, or property of either.
- 24 (73) "Secured party" means:
- 25 (A) a person in whose favor a security interest is created or
- 26 provided for under a security agreement, whether or not any
- 27 obligation to be secured is outstanding;
- 28 (B) a person that holds an agricultural lien;
- 29 (C) a consignor;
- 30 (D) a person to which accounts, chattel paper, payment
- 31 intangibles, or promissory notes have been sold;
- 32 (E) a trustee, indenture trustee, agent, collateral agent, or other
- 33 representative in whose favor a security interest or agricultural
- 34 lien is created or provided for; or
- 35 (F) a person that holds a security interest arising under
- 36 IC 26-1-2-401, IC 26-1-2-505, IC 26-1-2-711(3),
- 37 IC 26-1-2.1-508(5), IC 26-1-4-210, or IC 26-1-5.1-118.
- 38 (74) "Security agreement" means an agreement that creates or
- 39 provides for a security interest.
- 40 (75) [Reserved.]
- 41 (76) "Software" means a computer program and any supporting

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1 information provided in connection with a transaction relating to
 2 the program. The term does not include a computer program that
 3 is included in the definition of goods.

4 (77) "State" means a state of the United States, the District of
 5 Columbia, Puerto Rico, the United States Virgin Islands, or any
 6 territory or insular possession subject to the jurisdiction of the
 7 United States.

8 (78) "Supporting obligation" means a letter-of-credit right or
 9 secondary obligation that supports the payment or performance of
 10 an account, chattel paper, a document, a general intangible, an
 11 instrument, or investment property.

12 (79) [Reserved.]

13 (80) "Termination statement" means an amendment of a financing
 14 statement that:

15 (A) identifies, by its file number, the initial financing
 16 statement to which it relates; and

17 (B) indicates either that it is a termination statement or that the
 18 identified financing statement is no longer effective.

19 (81) "Transmitting utility" means a person primarily engaged in
 20 the business of:

21 (A) operating a railroad, subway, street railway, or trolley bus;

22 (B) transmitting communications electrically,
 23 electromagnetically, or by light;

24 (C) transmitting goods by pipeline or sewer; or

25 (D) transmitting or producing and transmitting electricity,
 26 steam, gas, or water.

27 (b) "Control" as provided in IC 26-1-7-106 and the following
 28 definitions outside IC 26-1-9.1 apply to IC 26-1-9.1:

29 "Applicant" IC 26-1-5.1-102.

30 "Beneficiary" IC 26-1-5.1-102.

31 "Broker" IC 26-1-8.1-102.

32 "Certificated security" IC 26-1-8.1-102.

33 "Check" IC 26-1-3.1-104.

34 "Clearing corporation" IC 26-1-8.1-102.

35 "Contract for sale" IC 26-1-2-106.

36 "Controllable electronic record" IC 26-1-12-102.

37 "Customer" IC 26-1-4-104.

38 "Entitlement holder" IC 26-1-8.1-102.

39 "Financial asset" IC 26-1-8.1-102.

40 "Holder in due course" IC 26-1-3.1-302.

41 "Issuer" (with respect to a letter of credit or letter-of-credit right)

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- 1 IC 26-1-5.1-102.
- 2 "Issuer" (with respect to a security) IC 26-1-8.1-201.
- 3 "Issuer" (with respect to documents of title) IC 26-1-7-102.
- 4 "Lease" IC 26-1-2.1-103.
- 5 "Lease agreement" IC 26-1-2.1-103.
- 6 "Lease contract" IC 26-1-2.1-103.
- 7 "Leasehold interest" IC 26-1-2.1-103.
- 8 "Lessee" IC 26-1-2.1-103.
- 9 "Lessee in ordinary course of business" IC 26-1-2.1-103.
- 10 "Lessor" IC 26-1-2.1-103.
- 11 "Lessor's residual interest" IC 26-1-2.1-103.
- 12 "Letter of credit" IC 26-1-5.1-102.
- 13 "Merchant" IC 26-1-2-104.
- 14 "Negotiable instrument" IC 26-1-3.1-104.
- 15 "Nominated person" IC 26-1-5.1-102.
- 16 "Note" IC 26-1-3.1-104.
- 17 "Proceeds of a letter of credit" IC 26-1-5.1-114.
- 18 "Protected purchaser" IC 26-1-8.1-303.
- 19 "Prove" IC 26-1-3.1-103.
- 20 "Qualifying purchaser" IC 26-1-12-102.
- 21 "Sale" IC 26-1-2-106.
- 22 "Securities account" IC 26-1-8.1-501.
- 23 "Securities intermediary" IC 26-1-8.1-102.
- 24 "Security" IC 26-1-8.1-102.
- 25 "Security certificate" IC 26-1-8.1-102.
- 26 "Security entitlement" IC 26-1-8.1-102.
- 27 "Uncertificated security" IC 26-1-8.1-102.
- 28 (c) IC 26-1-1 contains general definitions and principles of
- 29 construction and interpretation applicable throughout IC 26-1-9.1.
- 30 SECTION 140. IC 36-1-12-3, AS AMENDED BY P.L.86-2025,
- 31 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 32 JANUARY 1, 2026 (RETROACTIVE)]: Sec. 3. (a) The board may
- 33 purchase or lease materials in the manner provided in IC 5-22 and
- 34 perform any public work, by means of its own workforce, without
- 35 awarding a contract whenever the cost of that public work project is
- 36 estimated to be less than three hundred seventy-five thousand dollars
- 37 (\$375,000), adjusted annually by ~~the~~ **an amount equal to the**
- 38 **unadjusted** percentage change **for all items** in the Consumer Price
- 39 Index for all Urban Consumers as published by the United States
- 40 Bureau of Labor Statistics **for the immediately preceding year. On**
- 41 **or before January 15, 2026, and on or before January 1 of each**

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1 **year thereafter**, the department of local government finance shall
2 annually publish the adjusted cost estimate threshold for the current
3 year, determined in the manner required by this subsection, ~~on the~~
4 ~~department's website.~~ **in the Indiana Register under IC 4-22-7-7. For**
5 **purposes of applying the annual cost estimate threshold**
6 **adjustment, the annual percentage change is applied to the**
7 **adjusted amount for the immediately preceding year.**

8 (b) Before a board may perform any work under this section by
9 means of its own workforce, the political subdivision or agency must
10 have a group of employees on its staff who are capable of performing
11 the construction, maintenance, and repair applicable to that work.

12 (c) For purposes of ~~this subsection,~~ **determining** the cost of a public
13 work project, **the cost** includes:

- 14 (1) the actual cost of materials, labor, equipment, and rental;
- 15 (2) a reasonable rate for use of trucks and heavy equipment
16 owned; and
- 17 (3) all other expenses incidental to the performance of the project.

18 ~~(b)~~ (d) This subsection applies only to a municipality or a county.
19 The workforce of a municipality or county may perform a public work
20 described in subsection (a) only if:

- 21 (1) the workforce, through demonstrated skills, training, or
22 expertise, is capable of performing the public work; and
- 23 (2) for a public work project under subsection (a) whose cost is
24 estimated to be more than one hundred thousand dollars
25 (\$100,000), the board:

- 26 (A) publishes a notice under IC 5-3-1 that:
 - 27 (i) describes the public work that the board intends to
28 perform with its own workforce; and
 - 29 (ii) sets forth the projected cost of each component of the
30 public work as described in subsection (a); and

31 (B) determines at a public meeting that it is in the public
32 interest to perform the public work with the board's own
33 workforce.

34 A public work project performed by a board's own workforce must be
35 inspected and accepted as complete in the same manner as a public
36 work project performed under a contract awarded after receiving bids.

37 ~~(c)~~ (e) When the project involves the rental of equipment with an
38 operator furnished by the owner, or the installation or application of
39 materials by the supplier of the materials, the project is considered to
40 be a public work project and subject to this chapter. However, an
41 annual contract may be awarded for equipment rental and materials to

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1 be installed or applied during a calendar or fiscal year if the proposed
2 project or projects are described in the bid specifications.

3 ~~(d)~~ **(f)** A board of aviation commissioners or an airport authority
4 board may purchase or lease materials in the manner provided in
5 IC 5-22 and perform any public work by means of its own workforce
6 and owned or leased equipment, in the construction, maintenance, and
7 repair of any airport roadway, runway, taxiway, or aircraft parking
8 apron whenever the cost of that public work project is estimated to be
9 less than one hundred fifty thousand dollars (\$150,000).

10 ~~(e)~~ **(g)** Municipal and county hospitals must comply with this
11 chapter for all contracts for public work that are financed in whole or
12 in part with cumulative building fund revenue, as provided in section
13 1(c) of this chapter. However, if the cost of the public work is
14 estimated to be less than fifty thousand dollars (\$50,000), as reflected
15 in the board minutes, the hospital board may have the public work done
16 without receiving bids, by purchasing the materials and performing the
17 work by means of its own workforce and owned or leased equipment.

18 ~~(f)~~ **(h)** If a public works project involves a structure, an
19 improvement, or a facility under the control of a public highway
20 department that is under the political control of a unit (as defined in
21 IC 36-1-2-23) and involved in the construction, maintenance, or repair
22 of a public highway (as defined in IC 9-25-2-4), the department may
23 not artificially divide the project to bring any part of the project under
24 this section.

25 SECTION 141. IC 36-1-12.5-10, AS AMENDED BY P.L.233-2015,
26 SECTION 331, IS AMENDED TO READ AS FOLLOWS
27 [EFFECTIVE JULY 1, 2026]: Sec. 10. The governing body shall

28 ~~(1)~~ **(1)** ~~provide~~ **submit the following** to the ~~director of the~~
29 department of local government ~~finance~~ **finance's computer**
30 **gateway** not more than sixty (60) days after the date of execution
31 of the guaranteed savings contract:

32 ~~(A)~~ **(1)** A copy of the executed guaranteed savings contract.

33 ~~(B)~~ **(2)** The:

- 34 ~~(i)~~ **(A)** energy or water consumption costs;
- 35 ~~(ii)~~ **(B)** wastewater usage costs; and
- 36 ~~(iii)~~ **(C)** billable revenues, if any;

37 before the date of execution of the guaranteed savings
38 contract. ~~and~~

39 ~~(C)~~ **(3)** The documentation using industry engineering
40 standards for:

- 41 ~~(i)~~ **(A)** stipulated savings; and

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1 (ii) **(B)** related capital expenditures. and
2 (2) annually report to the director of the department of local
3 government finance, in accordance with procedures established
4 by the department, the savings resulting in the previous year from
5 the guaranteed savings contract or utility efficiency program.

6 SECTION 142. IC 36-1-12.5-12, AS AMENDED BY P.L.233-2015,
7 SECTION 332, IS AMENDED TO READ AS FOLLOWS
8 [EFFECTIVE JULY 1, 2026]: Sec. 12. (a) An improvement that is not
9 causally connected to a conservation measure may be included in a
10 guaranteed savings contract if:

11 (1) the total value of the improvement does not exceed fifteen
12 percent (15%) of the total value of the guaranteed savings
13 contract; and

14 (2) either:
15 (A) the improvement is necessary to conform to a law, a rule,
16 or an ordinance; or

17 (B) an analysis within the guaranteed savings contract
18 demonstrates that:

19 (i) there is an economic advantage to the political
20 subdivision in implementing an improvement as part of the
21 guaranteed savings contract; and

22 (ii) the savings justification for the improvement is
23 documented by industry engineering standards.

24 (b) ~~The information required under subsection (a) must be reported~~
25 ~~to the director of the department of local government finance.~~

26 SECTION 143. IC 36-1-20-3.6 IS ADDED TO THE INDIANA
27 CODE AS A **NEW SECTION TO READ AS FOLLOWS**
28 [EFFECTIVE JULY 1, 2026]: **Sec. 3.6. (a) A unit may not adopt or**
29 **enforce an ordinance, resolution, regulation, policy, or rule that:**

30 **(1) prohibits or restricts an owner of a privately owned**
31 **residential property from using the property as a rental**
32 **property; or**

33 **(2) has the effect of prohibiting or restricting the use of**
34 **property as a rental property.**

35 **(b) This section does not prohibit a unit from enforcing any:**

36 **(1) generally applicable health and safety regulations;**

37 **(2) building codes, fire codes, or reasonable occupancy**
38 **standards; or**

39 **(3) registration or inspection requirements set forth in this**
40 **chapter, provided the requirements do not operate to impose**
41 **a cap or limit described in subsection (a).**

42 SECTION 144. IC 36-2-11-14.5, AS AMENDED BY P.L.127-2017,

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1 SECTION 79, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
2 UPON PASSAGE]: Sec. 14.5. (a) As used in this section,
3 "manufactured home" has the meaning set forth in ~~IC 9-13-2-96(b)~~.
4 **IC 9-13-2-96(a). The term includes a mobile home (as defined in**
5 **IC 9-13-2-103.2).**

6 (b) As used in this section, "mobile home" has the meaning set forth
7 in ~~IC 6-1-1-7-1(b)~~. **IC 9-13-2-103.2. The term includes a**
8 **manufactured home (as defined in IC 9-13-2-96(a)).**

9 (c) A person must do the following to record a purchase contract
10 that is subject to IC 9-17-6-17:

- 11 (1) Submit the following to the county recorder:
 - 12 (A) A copy of the title to the manufactured home or mobile
 - 13 home.
 - 14 (B) An affidavit stating whether the contract requires the seller
 - 15 or the buyer to pay the property taxes imposed on the
 - 16 manufactured home or mobile home.

17 (2) Pay any applicable recording fees.
18 (d) The county recorder shall record a purchase contract submitted
19 for recording under IC 9-17-6-17 by a person who complies with
20 subsection (c). The county recorder shall do the following:

- 21 (1) Provide the information described in subsection (c)(1) to the
- 22 county treasurer with respect to each contract recorded under this
- 23 section.
- 24 (2) Notify the township assessor of the township in which the
- 25 mobile home is located, or to which the mobile home will be
- 26 moved, that a contract for the sale of the mobile home has been
- 27 recorded. If there is no township assessor for the township, the
- 28 county recorder shall provide the notice required by this
- 29 subdivision to the county assessor.

30 SECTION 145. IC 36-4-3-19, AS AMENDED BY P.L.104-2022,
31 SECTION 160, IS AMENDED TO READ AS FOLLOWS
32 [EFFECTIVE JULY 1, 2026]: Sec. 19. (a) If disannexation is ordered
33 under this chapter by the works board of a municipality and no appeal
34 is taken, the clerk of the municipality shall, without compensation and
35 not later than ten (10) days after the order is made, make and certify a
36 complete transcript of the disannexation proceedings to the auditor of
37 each county in which the disannexed lots or lands lie and to the office
38 of the secretary of state. The county auditor shall list those lots or lands
39 appropriately for taxation. The proceedings of the works board shall not
40 be certified to the county auditor or to the office of the secretary of
41 state if an appeal to the circuit court has been taken.

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1 (b) In all proceedings begun in or appealed to the circuit court, if
2 vacation or disannexation is ordered, the clerk of the court shall
3 immediately after the judgment of the court, or after a decision on
4 appeal to the supreme court or court of appeals if the judgment on
5 appeal is not reversed, certify the judgment of the circuit court, as
6 affirmed or modified, to each of the following:

- 7 (1) The auditor of each county in which the lands or lots affected
- 8 lie, on receipt of one dollar (\$1) for the making and certifying of
- 9 the transcript from the petitioners for the disannexation.
- 10 (2) The office of the secretary of state.
- 11 (3) The circuit court clerk of each county in which the lands or
- 12 lots affected are located.
- 13 (4) The county election board of each county in which the lands
- 14 or lots affected are located.
- 15 (5) If a board of registration exists, the board of each county in
- 16 which the lands or lots affected are located.
- 17 (6) The office of census data established by IC 2-5-1.1-12.2.

18 (c) The county auditor shall forward a list of lots or lands
19 disannexed under this section to the following:

- 20 (1) The county highway department of each county in which the
- 21 lands or lots affected are located.
- 22 (2) The county surveyor of each county in which the lands or lots
- 23 affected are located.
- 24 (3) Each plan commission, if any, that lost or gained jurisdiction
- 25 over the disannexed territory.
- 26 (4) The township trustee of each township that lost or gained
- 27 jurisdiction over the disannexed territory.
- 28 (5) The sheriff of each county in which the lands or lots affected
- 29 are located.
- 30 (6) The office of the secretary of state.
- 31 (7) The office of census data established by IC 2-5-1.1-12.2.
- 32 (8) The department of local government finance, not later than
- 33 August 1, in the manner described by the department.
- 34 **(9) The state GIS officer (as defined in IC 4-23-7.3-10), not**
- 35 **later than August 1, in the manner prescribed by the state**
- 36 **GIS officer (as defined in IC 4-23-7.3-10).**

37 The county auditor may require the clerk of the municipality to furnish
38 an adequate number of copies of the list of disannexed lots or lands or
39 may charge the clerk a fee for photoreproduction of the list.

40 (d) A disannexation described by this section takes effect upon the
41 clerk of the municipality filing the order with:

- 42 (1) the county auditor of each county in which the annexed

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1 territory is located; and
 2 (2) the circuit court clerk, or if a board of registration exists, the
 3 board of each county in which the annexed territory is located.
 4 (e) The clerk of the municipality shall notify the office of the
 5 secretary of state and the office of census data established by
 6 IC 2-5-1.1-12.2 of the date a disannexation is effective under this
 7 chapter.
 8 SECTION 146. IC 36-4-3-22, AS AMENDED BY P.L.38-2021,
 9 SECTION 84, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 10 JULY 1, 2026]: Sec. 22. (a) The clerk of the municipality shall file:
 11 (1) each annexation ordinance against which:
 12 (A) a remonstrance or an appeal has not been filed during the
 13 period permitted under this chapter; or
 14 (B) a remonstrance was filed without a sufficient number of
 15 signatures to meet the requirements of section 11.3(c) of this
 16 chapter, in the case of an annexation for which an annexation
 17 ordinance was adopted after June 30, 2015; or
 18 (2) the certified copy of a final and unappealable judgment
 19 ordering an annexation to take place;
 20 with the county auditor, circuit court clerk, and board of registration (if
 21 a board of registration exists) of each county in which the annexed
 22 territory is located, the office of the secretary of state, and the office of
 23 census data established by IC 2-5-1.1-12.2. The clerk of the
 24 municipality shall record each annexation ordinance adopted under this
 25 chapter in the office of the county recorder of each county in which the
 26 annexed territory is located.
 27 (b) The ordinance or judgment must be filed and recorded no later
 28 than ninety (90) days after:
 29 (1) the expiration of the period permitted for a remonstrance or
 30 appeal;
 31 (2) the delivery of a certified order under section 15 of this
 32 chapter; or
 33 (3) the date the county auditor files the written certification with
 34 the legislative body under section 11.2 of this chapter, in the case
 35 of an annexation described in subsection (a)(1)(B).
 36 (c) Failure to record the annexation ordinance as provided in
 37 subsection (a) does not invalidate the ordinance.
 38 (d) The county auditor shall forward a copy of any annexation
 39 ordinance filed under this section to the following:
 40 (1) The county highway department of each county in which the
 41 lots or lands affected are located.

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- 1 (2) The county surveyor of each county in which the lots or lands
- 2 affected are located.
- 3 (3) Each plan commission, if any, that lost or gained jurisdiction
- 4 over the annexed territory.
- 5 (4) The sheriff of each county in which the lots or lands affected
- 6 are located.
- 7 (5) The township trustee of each township that lost or gained
- 8 jurisdiction over the annexed territory.
- 9 (6) The office of the secretary of state.
- 10 (7) The office of census data established by IC 2-5-1.1-12.2.
- 11 (8) The department of local government finance, not later than
- 12 August 1, in the manner described by the department.
- 13 **(9) The state GIS officer (as defined in IC 4-23-7.3-10), not**
- 14 **later than August 1, in the manner prescribed by the state**
- 15 **GIS officer (as defined in IC 4-23-7.3-10).**

16 (e) The county auditor may require the clerk of the municipality to
 17 furnish an adequate number of copies of the annexation ordinance or
 18 may charge the clerk a fee for photoreproduction of the ordinance. The
 19 county auditor shall notify the office of the secretary of state and the
 20 office of census data established by IC 2-5-1.1-12.2 of the date that the
 21 annexation ordinance is effective under this chapter.

22 (f) The county auditor or county surveyor shall, upon determining
 23 that an annexation ordinance has become effective under this chapter,
 24 indicate the annexation upon the property taxation records maintained
 25 in the office of the auditor or the office of the county surveyor.

26 SECTION 147. IC 36-7-14-39, AS AMENDED BY P.L.181-2025,
 27 SECTION 20, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 28 UPON PASSAGE]: Sec. 39. (a) As used in this section:

29 "Allocation area" means that part of a redevelopment project area
 30 to which an allocation provision of a declaratory resolution adopted
 31 under section 15 of this chapter refers for purposes of distribution and
 32 allocation of property taxes.

33 "Base assessed value" means, subject to subsection (j), the
 34 following:

35 (1) If an allocation provision is adopted after June 30, 1995, in a
 36 declaratory resolution or an amendment to a declaratory
 37 resolution establishing an economic development area:

38 (A) the net assessed value of all the property as finally
 39 determined for the assessment date immediately preceding the
 40 effective date of the allocation provision of the declaratory
 41 resolution, as adjusted under subsection (h); plus

42 (B) to the extent that it is not included in clause (A), the net

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1 assessed value of property that is assessed as residential
2 property under the rules of the department of local government
3 finance, within the allocation area, as finally determined for
4 the current assessment date.
5 (2) If an allocation provision is adopted after June 30, 1997, in a
6 declaratory resolution or an amendment to a declaratory
7 resolution establishing a redevelopment project area:
8 (A) the net assessed value of all the property as finally
9 determined for the assessment date immediately preceding the
10 effective date of the allocation provision of the declaratory
11 resolution, as adjusted under subsection (h); plus
12 (B) to the extent that it is not included in clause (A), the net
13 assessed value of property that is assessed as residential
14 property under the rules of the department of local government
15 finance, as finally determined for the current assessment date.
16 (3) If:
17 (A) an allocation provision adopted before June 30, 1995, in
18 a declaratory resolution or an amendment to a declaratory
19 resolution establishing a redevelopment project area expires
20 after June 30, 1997; and
21 (B) after June 30, 1997, a new allocation provision is included
22 in an amendment to the declaratory resolution;
23 the net assessed value of all the property as finally determined for
24 the assessment date immediately preceding the effective date of
25 the allocation provision adopted after June 30, 1997, as adjusted
26 under subsection (h).
27 (4) Except as provided in subdivision (5), for all other allocation
28 areas, the net assessed value of all the property as finally
29 determined for the assessment date immediately preceding the
30 effective date of the allocation provision of the declaratory
31 resolution, as adjusted under subsection (h).
32 (5) If an allocation area established in an economic development
33 area before July 1, 1995, is expanded after June 30, 1995, the
34 definition in subdivision (1) applies to the expanded part of the
35 area added after June 30, 1995.
36 (6) If an allocation area established in a redevelopment project
37 area before July 1, 1997, is expanded after June 30, 1997, the
38 definition in subdivision (2) applies to the expanded part of the
39 area added after June 30, 1997.
40 Except as provided in section 39.3 of this chapter, "property taxes"
41 means taxes imposed under IC 6-1.1 on real property. However, upon

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1 approval by a resolution of the redevelopment commission adopted
 2 before June 1, 1987, "property taxes" also includes taxes imposed
 3 under IC 6-1.1 on depreciable personal property. If a redevelopment
 4 commission adopted before June 1, 1987, a resolution to include within
 5 the definition of property taxes, taxes imposed under IC 6-1.1 on
 6 depreciable personal property that has a useful life in excess of eight
 7 (8) years, the commission may by resolution determine the percentage
 8 of taxes imposed under IC 6-1.1 on all depreciable personal property
 9 that will be included within the definition of property taxes. However,
 10 the percentage included must not exceed twenty-five percent (25%) of
 11 the taxes imposed under IC 6-1.1 on all depreciable personal property.

12 (b) A declaratory resolution adopted under section 15 of this chapter
 13 on or before the allocation deadline determined under subsection (i)
 14 may include a provision with respect to the allocation and distribution
 15 of property taxes for the purposes and in the manner provided in this
 16 section. A declaratory resolution previously adopted may include an
 17 allocation provision by the amendment of that declaratory resolution on
 18 or before the allocation deadline determined under subsection (i) in
 19 accordance with the procedures required for its original adoption. A
 20 declaratory resolution or amendment that establishes an allocation
 21 provision must include a specific finding of fact, supported by
 22 evidence, that the adoption of the allocation provision will result in
 23 new property taxes in the area that would not have been generated but
 24 for the adoption of the allocation provision. For an allocation area
 25 established before July 1, 1995, the expiration date of any allocation
 26 provisions for the allocation area is June 30, 2025, or the last date of
 27 any obligations that are outstanding on July 1, 2015, whichever is later.
 28 A declaratory resolution or an amendment that establishes an allocation
 29 provision after June 30, 1995, must specify an expiration date for the
 30 allocation provision. For an allocation area established before July 1,
 31 2008, the expiration date may not be more than thirty (30) years after
 32 the date on which the allocation provision is established. For an
 33 allocation area established after June 30, 2008, the expiration date may
 34 not be more than twenty-five (25) years after the date on which the first
 35 obligation was incurred to pay principal and interest on bonds or lease
 36 rentals on leases payable from tax increment revenues. However, with
 37 respect to bonds or other obligations that were issued before July 1,
 38 2008, if any of the bonds or other obligations that were scheduled when
 39 issued to mature before the specified expiration date and that are
 40 payable only from allocated tax proceeds with respect to the allocation
 41 area remain outstanding as of the expiration date, the allocation

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1 provision does not expire until all of the bonds or other obligations are
 2 no longer outstanding. Notwithstanding any other law, in the case of an
 3 allocation area that is established after June 30, 2019, and that is
 4 located in a redevelopment project area described in section
 5 25.1(c)(3)(C) of this chapter, an economic development area described
 6 in section 25.1(c)(3)(C) of this chapter, or an urban renewal project
 7 area described in section 25.1(c)(3)(C) of this chapter, the expiration
 8 date of the allocation provision may not be more than thirty-five (35)
 9 years after the date on which the allocation provision is established.
 10 The allocation provision may apply to all or part of the redevelopment
 11 project area. The allocation provision must require that any property
 12 taxes subsequently levied by or for the benefit of any public body
 13 entitled to a distribution of property taxes on taxable property in the
 14 allocation area be allocated and distributed as follows:

15 (1) Except as otherwise provided in this section, the proceeds of
 16 the taxes attributable to the lesser of:

- 17 (A) the assessed value of the property for the assessment date
- 18 with respect to which the allocation and distribution is made;
- 19 or
- 20 (B) the base assessed value;

21 shall be allocated to and, when collected, paid into the funds of
 22 the respective taxing units.

23 (2) This subdivision applies to a fire protection territory
 24 established after December 31, 2022. If a unit becomes a
 25 participating unit of a fire protection territory that is established
 26 after a declaratory resolution is adopted under section 15 of this
 27 chapter, the excess of the proceeds of the property taxes
 28 attributable to an increase in the property tax rate for the
 29 participating unit of a fire protection territory:

30 (A) except as otherwise provided by this subdivision, shall be
 31 determined as follows:

32 STEP ONE: Divide the unit's tax rate for fire protection for
 33 the year before the establishment of the fire protection
 34 territory by the participating unit's tax rate as part of the fire
 35 protection territory.

36 STEP TWO: Subtract the STEP ONE amount from one (1).

37 STEP THREE: Multiply the STEP TWO amount by the
 38 allocated property tax attributable to the participating unit of
 39 the fire protection territory; and

40 (B) to the extent not otherwise included in subdivisions (1)
 41 and (3), the amount determined under STEP THREE of clause

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1 (A) shall be allocated to and distributed in the form of an
2 allocated property tax revenue pass back to the participating
3 unit of the fire protection territory for the assessment date with
4 respect to which the allocation is made.
5 However, if the redevelopment commission determines that it is
6 unable to meet its debt service obligations with regards to the
7 allocation area without all or part of the allocated property tax
8 revenue pass back to the participating unit of a fire protection area
9 under this subdivision, then the allocated property tax revenue
10 pass back under this subdivision shall be reduced by the amount
11 necessary for the redevelopment commission to meet its debt
12 service obligations of the allocation area. The calculation under
13 this subdivision must be made by the redevelopment commission
14 in collaboration with the county auditor and the applicable fire
15 protection territory. Any calculation determined according to
16 clause (A) must be submitted to the department of local
17 government finance in the manner prescribed by the department
18 of local government finance. The department of local government
19 finance shall verify the accuracy of each calculation.
20 (3) The excess of the proceeds of the property taxes imposed for
21 the assessment date with respect to which the allocation and
22 distribution is made that are attributable to taxes imposed after
23 being approved by the voters in a referendum or local public
24 question conducted after April 30, 2010, not otherwise included
25 in subdivisions (1) and (2) shall be allocated to and, when
26 collected, paid into the funds of the taxing unit for which the
27 referendum or local public question was conducted.
28 (4) Except as otherwise provided in this section, property tax
29 proceeds in excess of those described in subdivisions (1), (2), and
30 (3) shall be allocated to the redevelopment district and, when
31 collected, paid into an allocation fund for that allocation area that
32 may be used by the redevelopment district only to do one (1) or
33 more of the following:
34 (A) Pay the principal of and interest on any obligations
35 payable solely from allocated tax proceeds which are incurred
36 by the redevelopment district for the purpose of financing or
37 refinancing the redevelopment of that allocation area.
38 (B) Establish, augment, or restore the debt service reserve for
39 bonds payable solely or in part from allocated tax proceeds in
40 that allocation area.
41 (C) Pay the principal of and interest on bonds payable from

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1 allocated tax proceeds in that allocation area and from the
 2 special tax levied under section 27 of this chapter.
 3 (D) Pay the principal of and interest on bonds issued by the
 4 unit to pay for local public improvements that are physically
 5 located in or physically connected to that allocation area.
 6 (E) Pay premiums on the redemption before maturity of bonds
 7 payable solely or in part from allocated tax proceeds in that
 8 allocation area.
 9 (F) Make payments on leases payable from allocated tax
 10 proceeds in that allocation area under section 25.2 of this
 11 chapter.
 12 (G) Reimburse the unit for expenditures made by it for local
 13 public improvements (which include buildings, parking
 14 facilities, and other items described in section 25.1(a) of this
 15 chapter) that are physically located in or physically connected
 16 to that allocation area.
 17 (H) Reimburse the unit for rentals paid by it for a building or
 18 parking facility that is physically located in or physically
 19 connected to that allocation area under any lease entered into
 20 under IC 36-1-10.
 21 (I) For property taxes first due and payable before January 1,
 22 2009, pay all or a part of a property tax replacement credit to
 23 taxpayers in an allocation area as determined by the
 24 redevelopment commission. This credit equals the amount
 25 determined under the following STEPS for each taxpayer in a
 26 taxing district (as defined in IC 6-1.1-1-20) that contains all or
 27 part of the allocation area:
 28 STEP ONE: Determine that part of the sum of the amounts
 29 under IC 6-1.1-21-2(g)(1)(A), IC 6-1.1-21-2(g)(2),
 30 IC 6-1.1-21-2(g)(3), IC 6-1.1-21-2(g)(4), and
 31 IC 6-1.1-21-2(g)(5) (before their repeal) that is attributable to
 32 the taxing district.
 33 STEP TWO: Divide:
 34 (i) that part of each county's eligible property tax
 35 replacement amount (as defined in IC 6-1.1-21-2 (before its
 36 repeal)) for that year as determined under IC 6-1.1-21-4
 37 (before its repeal) that is attributable to the taxing district;
 38 by
 39 (ii) the STEP ONE sum.
 40 STEP THREE: Multiply:
 41 (i) the STEP TWO quotient; times

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1 (ii) the total amount of the taxpayer's taxes (as defined in
2 IC 6-1.1-21-2 (before its repeal)) levied in the taxing district
3 that have been allocated during that year to an allocation
4 fund under this section.
5 If not all the taxpayers in an allocation area receive the credit
6 in full, each taxpayer in the allocation area is entitled to
7 receive the same proportion of the credit. A taxpayer may not
8 receive a credit under this section and a credit under section
9 39.5 of this chapter (before its repeal) in the same year.
10 (J) Pay expenses incurred by the redevelopment commission
11 for local public improvements that are in the allocation area or
12 serving the allocation area. Public improvements include
13 buildings, parking facilities, and other items described in
14 section 25.1(a) of this chapter.
15 (K) Reimburse public and private entities for expenses
16 incurred in training employees of industrial facilities that are
17 located:
18 (i) in the allocation area; and
19 (ii) on a parcel of real property that has been classified as
20 industrial property under the rules of the department of local
21 government finance.
22 However, the total amount of money spent for this purpose in
23 any year may not exceed the total amount of money in the
24 allocation fund that is attributable to property taxes paid by the
25 industrial facilities described in this clause. The
26 reimbursements under this clause must be made within three
27 (3) years after the date on which the investments that are the
28 basis for the increment financing are made.
29 (L) Pay the costs of carrying out an eligible efficiency project
30 (as defined in IC 36-9-41-1.5) within the unit that established
31 the redevelopment commission. However, property tax
32 proceeds may be used under this clause to pay the costs of
33 carrying out an eligible efficiency project only if those
34 property tax proceeds exceed the amount necessary to do the
35 following:
36 (i) Make, when due, any payments required under clauses
37 (A) through (K), including any payments of principal and
38 interest on bonds and other obligations payable under this
39 subdivision, any payments of premiums under this
40 subdivision on the redemption before maturity of bonds, and
41 any payments on leases payable under this subdivision.

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- 1 (ii) Make any reimbursements required under this
- 2 subdivision.
- 3 (iii) Pay any expenses required under this subdivision.
- 4 (iv) Establish, augment, or restore any debt service reserve
- 5 under this subdivision.
- 6 (M) Expend money and provide financial assistance as
- 7 authorized in section 12.2(a)(27) of this chapter.
- 8 (N) Expend revenues that are allocated for police and fire
- 9 services on both capital expenditures and operating expenses
- 10 as authorized in section 12.2(a)(28) of this chapter.
- 11 The allocation fund may not be used for operating expenses of the
- 12 commission.
- 13 (5) Except as provided in subsection (g), before June 15 of each
- 14 year, the commission shall do the following:
- 15 (A) Determine the amount, if any, by which the assessed value
- 16 of the taxable property in the allocation area for the most
- 17 recent assessment date minus the base assessed value, when
- 18 multiplied by the estimated tax rate of the allocation area, will
- 19 exceed the amount of assessed value needed to produce the
- 20 property taxes necessary to make, when due, principal and
- 21 interest payments on bonds described in subdivision (4), plus
- 22 the amount necessary for other purposes described in
- 23 subdivision (4).
- 24 (B) Provide a written notice to the county auditor, the fiscal
- 25 body of the county or municipality that established the
- 26 department of redevelopment, and the officers who are
- 27 authorized to fix budgets, tax rates, and tax levies under
- 28 IC 6-1.1-17-5 for each of the other taxing units that is wholly
- 29 or partly located within the allocation area. The county auditor,
- 30 upon receiving the notice, shall forward this notice (in an
- 31 electronic format) to the department of local government
- 32 finance not later than June 15 of each year. The notice must:
- 33 (i) state the amount, if any, of excess assessed value that the
- 34 commission has determined may be allocated to the
- 35 respective taxing units in the manner prescribed in
- 36 subdivision (1); or
- 37 (ii) state that the commission has determined that there is no
- 38 excess assessed value that may be allocated to the respective
- 39 taxing units in the manner prescribed in subdivision (1).
- 40 The county auditor shall allocate to the respective taxing units
- 41 the amount, if any, of excess assessed value determined by the

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1 commission. The commission may not authorize an allocation
 2 of assessed value to the respective taxing units under this
 3 subdivision if to do so would endanger the interests of the
 4 holders of bonds described in subdivision (4) or lessors under
 5 section 25.3 of this chapter. **If a commission fails to provide**
 6 **the notice under this clause, the county auditor shall**
 7 **allocate five percent (5%) of the assessed value in the**
 8 **allocation area that is used to calculate the allocation and**
 9 **distribution of allocated tax proceeds under this section to**
 10 **the respective taxing units. However, if the commission**
 11 **notifies the county auditor and the department of local**
 12 **government finance, no later than June 15, that it is unable**
 13 **to meet its debt service obligations with regard to the**
 14 **allocation area without all or part of the allocated tax**
 15 **proceeds attributed to the assessed value that has been**
 16 **allocated to the respective taxing units, then the county**
 17 **auditor may not allocate five percent (5%) of the assessed**
 18 **value in the allocation area that is used to calculate the**
 19 **allocation and distribution of allocated tax proceeds under**
 20 **this section to the respective taxing units.**

21 (C) If:

22 (i) the amount of excess assessed value determined by the
 23 commission is expected to generate more than two hundred
 24 percent (200%) of the amount of allocated tax proceeds
 25 necessary to make, when due, principal and interest
 26 payments on bonds described in subdivision (4); plus

27 (ii) the amount necessary for other purposes described in
 28 subdivision (4);

29 the commission shall submit to the legislative body of the unit
 30 its determination of the excess assessed value that the
 31 commission proposes to allocate to the respective taxing units
 32 in the manner prescribed in subdivision (1). The legislative
 33 body of the unit may approve the commission's determination
 34 or modify the amount of the excess assessed value that will be
 35 allocated to the respective taxing units in the manner
 36 prescribed in subdivision (1).

37 (6) Notwithstanding subdivision (5), in the case of an allocation
 38 area that is established after June 30, 2019, and that is located in
 39 a redevelopment project area described in section 25.1(c)(3)(C)
 40 of this chapter, an economic development area described in
 41 section 25.1(c)(3)(C) of this chapter, or an urban renewal project
 42 area described in section 25.1(c)(3)(C) of this chapter, for each

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1 year the allocation provision is in effect, if the amount of excess
2 assessed value determined by the commission under subdivision
3 (5)(A) is expected to generate more than two hundred percent
4 (200%) of:

5 (A) the amount of allocated tax proceeds necessary to make,
6 when due, principal and interest payments on bonds described
7 in subdivision (4) for the project; plus

8 (B) the amount necessary for other purposes described in
9 subdivision (4) for the project;

10 the amount of the excess assessed value that generates more than
11 two hundred percent (200%) of the amounts described in clauses
12 (A) and (B) shall be allocated to the respective taxing units in the
13 manner prescribed by subdivision (1).

14 (c) For the purpose of allocating taxes levied by or for any taxing
15 unit or units, the assessed value of taxable property in a territory in the
16 allocation area that is annexed by any taxing unit after the effective
17 date of the allocation provision of the declaratory resolution is the
18 lesser of:

19 (1) the assessed value of the property for the assessment date with
20 respect to which the allocation and distribution is made; or

21 (2) the base assessed value.

22 (d) Property tax proceeds allocable to the redevelopment district
23 under subsection (b)(4) may, subject to subsection (b)(5), be
24 irrevocably pledged by the redevelopment district for payment as set
25 forth in subsection (b)(4).

26 (e) Notwithstanding any other law, each assessor shall, upon
27 petition of the redevelopment commission, reassess the taxable
28 property situated upon or in, or added to, the allocation area, effective
29 on the next assessment date after the petition.

30 (f) Notwithstanding any other law, the assessed value of all taxable
31 property in the allocation area, for purposes of tax limitation, property
32 tax replacement, and formulation of the budget, tax rate, and tax levy
33 for each political subdivision in which the property is located is the
34 lesser of:

35 (1) the assessed value of the property as valued without regard to
36 this section; or

37 (2) the base assessed value.

38 (g) If any part of the allocation area is located in an enterprise zone
39 created under IC 5-28-15, the unit that designated the allocation area
40 shall create funds as specified in this subsection. A unit that has
41 obligations, bonds, or leases payable from allocated tax proceeds under

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1 subsection (b)(4) shall establish an allocation fund for the purposes
 2 specified in subsection (b)(4) and a special zone fund. Such a unit
 3 shall, until the end of the enterprise zone phase out period, deposit each
 4 year in the special zone fund any amount in the allocation fund derived
 5 from property tax proceeds in excess of those described in subsection
 6 (b)(1), (b)(2), and (b)(3) from property located in the enterprise zone
 7 that exceeds the amount sufficient for the purposes specified in
 8 subsection (b)(4) for the year. The amount sufficient for purposes
 9 specified in subsection (b)(4) for the year shall be determined based on
 10 the pro rata portion of such current property tax proceeds from the part
 11 of the enterprise zone that is within the allocation area as compared to
 12 all such current property tax proceeds derived from the allocation area.
 13 A unit that has no obligations, bonds, or leases payable from allocated
 14 tax proceeds under subsection (b)(4) shall establish a special zone fund
 15 and deposit all the property tax proceeds in excess of those described
 16 in subsection (b)(1), (b)(2), and (b)(3) in the fund derived from
 17 property tax proceeds in excess of those described in subsection (b)(1),
 18 (b)(2), and (b)(3) from property located in the enterprise zone. The unit
 19 that creates the special zone fund shall use the fund (based on the
 20 recommendations of the urban enterprise association) for programs in
 21 job training, job enrichment, and basic skill development that are
 22 designed to benefit residents and employers in the enterprise zone or
 23 other purposes specified in subsection (b)(4), except that where
 24 reference is made in subsection (b)(4) to allocation area it shall refer
 25 for purposes of payments from the special zone fund only to that part
 26 of the allocation area that is also located in the enterprise zone. Those
 27 programs shall reserve at least one-half (1/2) of their enrollment in any
 28 session for residents of the enterprise zone.

29 (h) The state board of accounts and department of local government
 30 finance shall make the rules and prescribe the forms and procedures
 31 that they consider expedient for the implementation of this chapter.
 32 After each reassessment in an area under a reassessment plan prepared
 33 under IC 6-1.1-4-4.2, the ~~department of local government finance~~
 34 **county auditor** shall, **on forms prescribed by the department of**
 35 **local government finance**, adjust the base assessed value one (1) time
 36 to neutralize any effect of the reassessment of the real property in the
 37 area on the property tax proceeds allocated to the redevelopment
 38 district under this section. After each annual adjustment under
 39 IC 6-1.1-4-4.5, the ~~department of local government finance~~ **county**
 40 **auditor** shall, **on forms prescribed by the department of local**
 41 **government finance**, adjust the base assessed value one (1) time to

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1 neutralize any effect of the annual adjustment on the property tax
 2 proceeds allocated to the redevelopment district under this section.
 3 However, the adjustments under this subsection:

- 4 (1) may not include the effect of phasing in assessed value due to
 5 property tax abatements under IC 6-1.1-12.1;
- 6 (2) may not produce less property tax proceeds allocable to the
 7 redevelopment district under subsection (b)(4) than would
 8 otherwise have been received if the reassessment under the
 9 reassessment plan or the annual adjustment had not occurred; and
- 10 (3) may decrease base assessed value only to the extent that
 11 assessed values in the allocation area have been decreased due to
 12 annual adjustments or the reassessment under the reassessment
 13 plan.

14 Assessed value increases attributable to the application of an abatement
 15 schedule under IC 6-1.1-12.1 may not be included in the base assessed
 16 value of an allocation area. ~~The department of local government~~
 17 ~~finance may prescribe procedures for county and township officials to~~
 18 ~~follow to assist the department in making the adjustments. The county~~
 19 **auditor shall, in the manner prescribed by the department of local**
 20 **government finance, submit the forms required by this subsection**
 21 **to the department of local government finance no later than July**
 22 **15 of each year. If the county auditor fails to submit the forms by**
 23 **the deadline under this subsection, the county auditor shall allocate**
 24 **five percent (5%) of the assessed value in the allocation area that**
 25 **is used to calculate the allocation and distribution of allocated tax**
 26 **proceeds under this section to the respective taxing units. However,**
 27 **if the redevelopment commission notifies the county auditor and**
 28 **the department of local government finance, no later than July 15,**
 29 **that it is unable to meet its debt service obligations with regard to**
 30 **the allocation area without all or part of the allocated tax proceeds**
 31 **attributed to the assessed value that has been allocated to the**
 32 **respective taxing units, then the county auditor may not allocate**
 33 **five percent (5%) of the assessed value in the allocation area that**
 34 **is used to calculate the allocation and distribution of allocated tax**
 35 **proceeds under this section to the respective taxing units.**

36 (i) The allocation deadline referred to in subsection (b) is
 37 determined in the following manner:

- 38 (1) The initial allocation deadline is December 31, 2011.
- 39 (2) Subject to subdivision (3), the initial allocation deadline and
 40 subsequent allocation deadlines are automatically extended in
 41 increments of five (5) years, so that allocation deadlines
 42 subsequent to the initial allocation deadline fall on December 31,

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1 2016, and December 31 of each fifth year thereafter.
 2 (3) At least one (1) year before the date of an allocation deadline
 3 determined under subdivision (2), the general assembly may enact
 4 a law that:
 5 (A) terminates the automatic extension of allocation deadlines
 6 under subdivision (2); and
 7 (B) specifically designates a particular date as the final
 8 allocation deadline.
 9 (j) If a redevelopment commission adopts a declaratory resolution
 10 or an amendment to a declaratory resolution that contains an allocation
 11 provision and the redevelopment commission makes either of the
 12 filings required under section 17(e) of this chapter after the first
 13 anniversary of the effective date of the allocation provision, the auditor
 14 of the county in which the unit is located shall compute the base
 15 assessed value for the allocation area using the assessment date
 16 immediately preceding the later of:
 17 (1) the date on which the documents are filed with the county
 18 auditor; or
 19 (2) the date on which the documents are filed with the department
 20 of local government finance.
 21 (k) For an allocation area established after June 30, 2025,
 22 "residential property" refers to the assessed value of property that is
 23 allocated to the one percent (1%) homestead land and improvement
 24 categories in the county tax and billing software system.
 25 SECTION 148. IC 36-7-14-48, AS AMENDED BY P.L.236-2023,
 26 SECTION 180, IS AMENDED TO READ AS FOLLOWS
 27 [EFFECTIVE UPON PASSAGE]: Sec. 48. (a) Notwithstanding section
 28 39(a) of this chapter, with respect to the allocation and distribution of
 29 property taxes for the accomplishment of a program adopted under
 30 section 45 of this chapter, "base assessed value" means, subject to
 31 section 39(j) of this chapter, the net assessed value of all of the
 32 property, other than personal property, as finally determined for the
 33 assessment date immediately preceding the effective date of the
 34 allocation provision, as adjusted under section 39(h) of this chapter.
 35 (b) The allocation fund established under section 39(b) of this
 36 chapter for the allocation area for a program adopted under section 45
 37 of this chapter may be used only for purposes related to the
 38 accomplishment of the program, including the following:
 39 (1) The construction, rehabilitation, or repair of residential units
 40 within the allocation area.
 41 (2) The construction, reconstruction, or repair of any

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1 infrastructure (including streets, sidewalks, and sewers) within or
 2 serving the allocation area.
 3 (3) The acquisition of real property and interests in real property
 4 within the allocation area.
 5 (4) The demolition of real property within the allocation area.
 6 (5) The provision of financial assistance to enable individuals and
 7 families to purchase or lease residential units within the allocation
 8 area. However, financial assistance may be provided only to those
 9 individuals and families whose income is at or below the county's
 10 median income for individuals and families, respectively.
 11 (6) The provision of financial assistance to neighborhood
 12 development corporations to permit them to provide financial
 13 assistance for the purposes described in subdivision (5).
 14 (7) For property taxes first due and payable before January 1,
 15 2009, providing each taxpayer in the allocation area a credit for
 16 property tax replacement as determined under subsections (c) and
 17 (d). However, the commission may provide this credit only if the
 18 municipal legislative body (in the case of a redevelopment
 19 commission established by a municipality) or the county
 20 executive (in the case of a redevelopment commission established
 21 by a county) establishes the credit by ordinance adopted in the
 22 year before the year in which the credit is provided.
 23 (c) The maximum credit that may be provided under subsection
 24 (b)(7) to a taxpayer in a taxing district that contains all or part of an
 25 allocation area established for a program adopted under section 45 of
 26 this chapter shall be determined as follows:
 27 STEP ONE: Determine that part of the sum of the amounts
 28 described in IC 6-1.1-21-2(g)(1)(A) and IC 6-1.1-21-2(g)(2)
 29 through IC 6-1.1-21-2(g)(5) (before their repeal) that is
 30 attributable to the taxing district.
 31 STEP TWO: Divide:
 32 (A) that part of each county's eligible property tax replacement
 33 amount (as defined in IC 6-1.1-21-2) (before its repeal) for
 34 that year as determined under IC 6-1.1-21-4(a)(1) (before its
 35 repeal) that is attributable to the taxing district; by
 36 (B) the amount determined under STEP ONE.
 37 STEP THREE: Multiply:
 38 (A) the STEP TWO quotient; by
 39 (B) the taxpayer's taxes (as defined in IC 6-1.1-21-2) (before
 40 its repeal) levied in the taxing district allocated to the
 41 allocation fund, including the amount that would have been

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1 allocated but for the credit.

2 (d) The commission may determine to grant to taxpayers in an
3 allocation area from its allocation fund a credit under this section, as
4 calculated under subsection (c). Except as provided in subsection (g),
5 one-half (1/2) of the credit shall be applied to each installment of taxes
6 (as defined in IC 6-1.1-21-2) (before its repeal) that under
7 IC 6-1.1-22-9 are due and payable in a year. The commission must
8 provide for the credit annually by a resolution and must find in the
9 resolution the following:

10 (1) That the money to be collected and deposited in the allocation
11 fund, based upon historical collection rates, after granting the
12 credit will equal the amounts payable for contractual obligations
13 from the fund, plus ten percent (10%) of those amounts.

14 (2) If bonds payable from the fund are outstanding, that there is
15 a debt service reserve for the bonds that at least equals the amount
16 of the credit to be granted.

17 (3) If bonds of a lessor under section 25.2 of this chapter or under
18 IC 36-1-10 are outstanding and if lease rentals are payable from
19 the fund, that there is a debt service reserve for those bonds that
20 at least equals the amount of the credit to be granted.

21 If the tax increment is insufficient to grant the credit in full, the
22 commission may grant the credit in part, prorated among all taxpayers.

23 (e) Notwithstanding section 39(b) of this chapter, the allocation
24 fund established under section 39(b) of this chapter for the allocation
25 area for a program adopted under section 45 of this chapter may only
26 be used to do one (1) or more of the following:

27 (1) Accomplish one (1) or more of the actions set forth in section
28 39(b)(4)(A) through 39(b)(4)(H) and 39(b)(4)(J) of this chapter
29 for property that is residential in nature.

30 (2) Reimburse the county or municipality for expenditures made
31 by the county or municipality in order to accomplish the housing
32 program in that allocation area.

33 The allocation fund may not be used for operating expenses of the
34 commission.

35 (f) Notwithstanding section 39(b) of this chapter, the commission
36 shall, relative to the allocation fund established under section 39(b) of
37 this chapter for an allocation area for a program adopted under section
38 45 of this chapter, do the following before June 15 of each year:

39 (1) Determine the amount, if any, by which the assessed value of
40 the taxable property in the allocation area for the most recent
41 assessment date minus the base assessed value, when multiplied

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1 by the estimated tax rate of the allocation area, will exceed the
2 amount of assessed value needed to produce the property taxes
3 necessary to:

- 4 (A) make the distribution required under section 39(b)(2) and
5 39(b)(3) of this chapter;
- 6 (B) make, when due, principal and interest payments on bonds
7 described in section 39(b)(4) of this chapter;
- 8 (C) pay the amount necessary for other purposes described in
9 section 39(b)(4) of this chapter; and
- 10 (D) reimburse the county or municipality for anticipated
11 expenditures described in subsection (e)(2).

12 (2) Provide a written notice to the county auditor, the fiscal body
13 of the county or municipality that established the department of
14 redevelopment, and the officers who are authorized to fix budgets,
15 tax rates, and tax levies under IC 6-1.1-17-5 for each of the other
16 taxing units that is wholly or partly located within the allocation
17 area. The county auditor, upon receiving the notice, shall forward
18 this notice (in an electronic format) to the department of local
19 government finance not later than June 15 of each year. The
20 notice must:

- 21 (A) state the amount, if any, of excess property taxes that the
22 commission has determined may be paid to the respective
23 taxing units in the manner prescribed in section 39(b)(1) of
24 this chapter; or
- 25 (B) state that the commission has determined that there is no
26 excess assessed value that may be allocated to the respective
27 taxing units in the manner prescribed in subdivision (1).

28 The county auditor shall allocate to the respective taxing units the
29 amount, if any, of excess assessed value determined by the
30 commission. **If a commission fails to provide the notice under
31 this subdivision, the county auditor shall allocate five percent
32 (5%) of the assessed value in the allocation area that is used
33 to calculate the allocation and distribution of allocated tax
34 proceeds under this section to the respective taxing units.
35 However, if the commission notifies the county auditor and
36 the department of local government finance, no later than
37 June 15, that it is unable to meet its debt service obligations
38 with regard to the allocation area without all or part of the
39 allocated tax proceeds attributed to the assessed value that
40 has been allocated to the respective taxing units, then the
41 county auditor may not allocate five percent (5%) of the
42 assessed value in the allocation area that is used to calculate**

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1 **the allocation and distribution of allocated tax proceeds under**
2 **this section to the respective taxing units.**
3 (3) If:
4 (A) the amount of excess assessed value determined by the
5 commission is expected to generate more than two hundred
6 percent (200%) of the amount of allocated tax proceeds
7 necessary to make, when due, principal and interest payments
8 on bonds described in subdivision (1); plus
9 (B) the amount necessary for other purposes described in
10 subdivision (1);
11 the commission shall submit to the legislative body of the unit its
12 determination of the excess assessed value that the commission
13 proposes to allocate to the respective taxing units in the manner
14 prescribed in subdivision (2). The legislative body of the unit may
15 approve the commission's determination or modify the amount of
16 the excess assessed value that will be allocated to the respective
17 taxing units in the manner prescribed in subdivision (2).
18 (g) This subsection applies to an allocation area only to the extent
19 that the net assessed value of property that is assessed as residential
20 property under the rules of the department of local government finance
21 is not included in the base assessed value. If property tax installments
22 with respect to a homestead (as defined in IC 6-1.1-12-37) are due in
23 installments established by the department of local government finance
24 under IC 6-1.1-22-9.5, each taxpayer subject to those installments in an
25 allocation area is entitled to an additional credit under subsection (d)
26 for the taxes (as defined in IC 6-1.1-21-2) (before its repeal) due in
27 installments. The credit shall be applied in the same proportion to each
28 installment of taxes (as defined in IC 6-1.1-21-2) (before its repeal).
29 SECTION 149. IC 36-7-14-52, AS AMENDED BY P.L.236-2023,
30 SECTION 181, IS AMENDED TO READ AS FOLLOWS
31 [EFFECTIVE UPON PASSAGE]: Sec. 52. (a) Notwithstanding section
32 39(a) of this chapter, with respect to the allocation and distribution of
33 property taxes for the accomplishment of the purposes of an
34 age-restricted housing program adopted under section 49 of this
35 chapter, "base assessed value" means, subject to section 39(j) of this
36 chapter, the net assessed value of all of the property, other than
37 personal property, as finally determined for the assessment date
38 immediately preceding the effective date of the allocation provision, as
39 adjusted under section 39(h) of this chapter.
40 (b) The allocation fund established under section 39(b) of this
41 chapter for the allocation area for an age-restricted housing program

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1 adopted under section 49 of this chapter may be used only for purposes
2 related to the accomplishment of the purposes of the program,
3 including, but not limited to, the following:

4 (1) The construction of any infrastructure (including streets,
5 sidewalks, and sewers) or local public improvements in, serving,
6 or benefiting the allocation area.

7 (2) The acquisition of real property and interests in real property
8 within the allocation area.

9 (3) The preparation of real property in anticipation of
10 development of the real property within the allocation area.

11 (4) To do any of the following:

12 (A) Pay the principal of and interest on bonds or any other
13 obligations payable from allocated tax proceeds in the
14 allocation area that are incurred by the redevelopment district
15 for the purpose of financing or refinancing the age-restricted
16 housing program established under section 49 of this chapter
17 for the allocation area.

18 (B) Establish, augment, or restore the debt service reserve for
19 bonds payable solely or in part from allocated tax proceeds in
20 the allocation area.

21 (C) Pay the principal of and interest on bonds payable from
22 allocated tax proceeds in the allocation area and from the
23 special tax levied under section 27 of this chapter.

24 (D) Pay the principal of and interest on bonds issued by the
25 unit to pay for local public improvements that are physically
26 located in or physically connected to the allocation area.

27 (E) Pay premiums on the redemption before maturity of bonds
28 payable solely or in part from allocated tax proceeds in the
29 allocation area.

30 (F) Make payments on leases payable from allocated tax
31 proceeds in the allocation area under section 25.2 of this
32 chapter.

33 (G) Reimburse the unit for expenditures made by the unit for
34 local public improvements (which include buildings, parking
35 facilities, and other items described in section 25.1(a) of this
36 chapter) that are physically located in or physically connected
37 to the allocation area.

38 (c) Notwithstanding section 39(b) of this chapter, the commission
39 shall, relative to the allocation fund established under section 39(b) of
40 this chapter for an allocation area for an age-restricted housing program
41 adopted under section 49 of this chapter, do the following before June

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1 15 of each year:

2 (1) Determine the amount, if any, by which the assessed value of

3 the taxable property in the allocation area for the most recent

4 assessment date minus the base assessed value, when multiplied

5 by the estimated tax rate of the allocation area, will exceed the

6 amount of assessed value needed to produce the property taxes

7 necessary to:

8 (A) make the distribution required under section 39(b)(2) and

9 39(b)(3) of this chapter;

10 (B) make, when due, principal and interest payments on bonds

11 described in section 39(b)(4) of this chapter;

12 (C) pay the amount necessary for other purposes described in

13 section 39(b)(4) of this chapter; and

14 (D) reimburse the county or municipality for anticipated

15 expenditures described in subsection (b)(2).

16 (2) Provide a written notice to the county auditor, the fiscal body

17 of the county or municipality that established the department of

18 redevelopment, and the officers who are authorized to fix budgets,

19 tax rates, and tax levies under IC 6-1.1-17-5 for each of the other

20 taxing units that is wholly or partly located within the allocation

21 area. The county auditor, upon receiving the notice, shall forward

22 this notice (in an electronic format) to the department of local

23 government finance not later than June 15 of each year. The

24 notice must:

25 (A) state the amount, if any, of excess property taxes that the

26 commission has determined may be paid to the respective

27 taxing units in the manner prescribed in section 39(b)(1) of

28 this chapter; or

29 (B) state that the commission has determined that there is no

30 excess assessed value that may be allocated to the respective

31 taxing units in the manner prescribed in subdivision (1).

32 The county auditor shall allocate to the respective taxing units the

33 amount, if any, of excess assessed value determined by the

34 commission. **If a commission fails to provide the notice under**

35 **subdivision (2), the county auditor shall allocate five percent (5%)**

36 **of the assessed value in the allocation area that is used to calculate**

37 **the allocation and distribution of allocated tax proceeds under this**

38 **section to the respective taxing units. However, if the commission**

39 **notifies the county auditor and the department of local government**

40 **finance, no later than July 15, that it is unable to meet its debt**

41 **service obligations with regard to the allocation area without all or**

42 **part of the allocated tax proceeds attributed to the assessed value**

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1 **that has been allocated to the respective taxing units, then the**
2 **county auditor may not allocate five percent (5%) of the assessed**
3 **value in the allocation area that is used to calculate the allocation**
4 **and distribution of allocated tax proceeds under this section to the**
5 **respective taxing units.**

6 SECTION 150. IC 36-7-14.2-1, AS ADDED BY P.L.80-2014,
7 SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
8 UPON PASSAGE]: Sec. 1. As used in this chapter, "property taxes"
9 means:

10 (1) property taxes, as described in:

- 11 (A) ~~IC 6-1.1-39-5(g)~~; **IC 6-1.1-39-5(h)**;
- 12 (B) IC 36-7-14-39(a);
- 13 (C) IC 36-7-14-39.2;
- 14 (D) IC 36-7-14-39.3(c);
- 15 (E) IC 36-7-14.5-12.5;
- 16 (F) IC 36-7-15.1-26(a);
- 17 (G) IC 36-7-15.1-26.2(c);
- 18 (H) IC 36-7-15.1-53(a);
- 19 (I) IC 36-7-15.1-55(c);
- 20 (J) IC 36-7-30-25(a)(3);
- 21 (K) IC 36-7-30-26(c);
- 22 (L) IC 36-7-30.5-30; or
- 23 (M) IC 36-7-30.5-31; and

24 (2) for allocation areas created under IC 8-22-3.5, the taxes
25 assessed on taxable tangible property in the allocation area.

26 SECTION 151. IC 36-7-15.1-26, AS AMENDED BY P.L.174-2022,
27 SECTION 72, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
28 UPON PASSAGE]: Sec. 26. (a) As used in this section:

29 "Allocation area" means that part of a redevelopment project area
30 to which an allocation provision of a resolution adopted under section
31 8 of this chapter refers for purposes of distribution and allocation of
32 property taxes.

33 "Base assessed value" means, subject to subsection (j), the
34 following:

35 (1) If an allocation provision is adopted after June 30, 1995, in a
36 declaratory resolution or an amendment to a declaratory
37 resolution establishing an economic development area:

- 38 (A) the net assessed value of all the property as finally
39 determined for the assessment date immediately preceding the
40 effective date of the allocation provision of the declaratory
41 resolution, as adjusted under subsection (h); plus
- 42 (B) to the extent that it is not included in clause (A), the net

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1 assessed value of property that is assessed as residential
2 property under the rules of the department of local government
3 finance, within the allocation area, as finally determined for
4 the current assessment date.

5 (2) If an allocation provision is adopted after June 30, 1997, in a
6 declaratory resolution or an amendment to a declaratory
7 resolution establishing a redevelopment project area:
8 (A) the net assessed value of all the property as finally
9 determined for the assessment date immediately preceding the
10 effective date of the allocation provision of the declaratory
11 resolution, as adjusted under subsection (h); plus
12 (B) to the extent that it is not included in clause (A), the net
13 assessed value of property that is assessed as residential
14 property under the rules of the department of local government
15 finance, within the allocation area, as finally determined for
16 the current assessment date.

17 (3) If:
18 (A) an allocation provision adopted before June 30, 1995, in
19 a declaratory resolution or an amendment to a declaratory
20 resolution establishing a redevelopment project area expires
21 after June 30, 1997; and
22 (B) after June 30, 1997, a new allocation provision is included
23 in an amendment to the declaratory resolution;
24 the net assessed value of all the property as finally determined for
25 the assessment date immediately preceding the effective date of
26 the allocation provision adopted after June 30, 1997, as adjusted
27 under subsection (h).

28 (4) Except as provided in subdivision (5), for all other allocation
29 areas, the net assessed value of all the property as finally
30 determined for the assessment date immediately preceding the
31 effective date of the allocation provision of the declaratory
32 resolution, as adjusted under subsection (h).

33 (5) If an allocation area established in an economic development
34 area before July 1, 1995, is expanded after June 30, 1995, the
35 definition in subdivision (1) applies to the expanded part of the
36 area added after June 30, 1995.

37 (6) If an allocation area established in a redevelopment project
38 area before July 1, 1997, is expanded after June 30, 1997, the
39 definition in subdivision (2) applies to the expanded part of the
40 area added after June 30, 1997.

41 Except as provided in section 26.2 of this chapter, "property taxes"

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1 means taxes imposed under IC 6-1.1 on real property. However, upon
 2 approval by a resolution of the redevelopment commission adopted
 3 before June 1, 1987, "property taxes" also includes taxes imposed
 4 under IC 6-1.1 on depreciable personal property. If a redevelopment
 5 commission adopted before June 1, 1987, a resolution to include within
 6 the definition of property taxes, taxes imposed under IC 6-1.1 on
 7 depreciable personal property that has a useful life in excess of eight
 8 (8) years, the commission may by resolution determine the percentage
 9 of taxes imposed under IC 6-1.1 on all depreciable personal property
 10 that will be included within the definition of property taxes. However,
 11 the percentage included must not exceed twenty-five percent (25%) of
 12 the taxes imposed under IC 6-1.1 on all depreciable personal property.

13 (b) A resolution adopted under section 8 of this chapter on or before
 14 the allocation deadline determined under subsection (i) may include a
 15 provision with respect to the allocation and distribution of property
 16 taxes for the purposes and in the manner provided in this section. A
 17 resolution previously adopted may include an allocation provision by
 18 the amendment of that resolution on or before the allocation deadline
 19 determined under subsection (i) in accordance with the procedures
 20 required for its original adoption. A declaratory resolution or
 21 amendment that establishes an allocation provision must include a
 22 specific finding of fact, supported by evidence, that the adoption of the
 23 allocation provision will result in new property taxes in the area that
 24 would not have been generated but for the adoption of the allocation
 25 provision. For an allocation area established before July 1, 1995, the
 26 expiration date of any allocation provisions for the allocation area is
 27 June 30, 2025, or the last date of any obligations that are outstanding
 28 on July 1, 2015, whichever is later. However, for an allocation area
 29 identified as the Consolidated Allocation Area in the report submitted
 30 in 2013 to the fiscal body under section 36.3 of this chapter, the
 31 expiration date of any allocation provisions for the allocation area is
 32 January 1, 2051. A declaratory resolution or an amendment that
 33 establishes an allocation provision after June 30, 1995, must specify an
 34 expiration date for the allocation provision. For an allocation area
 35 established before July 1, 2008, the expiration date may not be more
 36 than thirty (30) years after the date on which the allocation provision
 37 is established. For an allocation area established after June 30, 2008,
 38 the expiration date may not be more than twenty-five (25) years after
 39 the date on which the first obligation was incurred to pay principal and
 40 interest on bonds or lease rentals on leases payable from tax increment
 41 revenues. However, with respect to bonds or other obligations that were

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1 issued before July 1, 2008, if any of the bonds or other obligations that
 2 were scheduled when issued to mature before the specified expiration
 3 date and that are payable only from allocated tax proceeds with respect
 4 to the allocation area remain outstanding as of the expiration date, the
 5 allocation provision does not expire until all of the bonds or other
 6 obligations are no longer outstanding. The allocation provision may
 7 apply to all or part of the redevelopment project area. The allocation
 8 provision must require that any property taxes subsequently levied by
 9 or for the benefit of any public body entitled to a distribution of
 10 property taxes on taxable property in the allocation area be allocated
 11 and distributed as follows:

12 (1) Except as otherwise provided in this section, the proceeds of
 13 the taxes attributable to the lesser of:

14 (A) the assessed value of the property for the assessment date
 15 with respect to which the allocation and distribution is made;
 16 or

17 (B) the base assessed value;

18 shall be allocated to and, when collected, paid into the funds of
 19 the respective taxing units.

20 (2) The excess of the proceeds of the property taxes imposed for
 21 the assessment date with respect to which the allocation and
 22 distribution is made that are attributable to taxes imposed after
 23 being approved by the voters in a referendum or local public
 24 question conducted after April 30, 2010, not otherwise included
 25 in subdivision (1) shall be allocated to and, when collected, paid
 26 into the funds of the taxing unit for which the referendum or local
 27 public question was conducted.

28 (3) Except as otherwise provided in this section, property tax
 29 proceeds in excess of those described in subdivisions (1) and (2)
 30 shall be allocated to the redevelopment district and, when
 31 collected, paid into a special fund for that allocation area that may
 32 be used by the redevelopment district only to do one (1) or more
 33 of the following:

34 (A) Pay the principal of and interest on any obligations
 35 payable solely from allocated tax proceeds that are incurred by
 36 the redevelopment district for the purpose of financing or
 37 refinancing the redevelopment of that allocation area.

38 (B) Establish, augment, or restore the debt service reserve for
 39 bonds payable solely or in part from allocated tax proceeds in
 40 that allocation area.

41 (C) Pay the principal of and interest on bonds payable from

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1 allocated tax proceeds in that allocation area and from the
 2 special tax levied under section 19 of this chapter.
 3 (D) Pay the principal of and interest on bonds issued by the
 4 consolidated city to pay for local public improvements that are
 5 physically located in or physically connected to that allocation
 6 area.
 7 (E) Pay premiums on the redemption before maturity of bonds
 8 payable solely or in part from allocated tax proceeds in that
 9 allocation area.
 10 (F) Make payments on leases payable from allocated tax
 11 proceeds in that allocation area under section 17.1 of this
 12 chapter.
 13 (G) Reimburse the consolidated city for expenditures for local
 14 public improvements (which include buildings, parking
 15 facilities, and other items set forth in section 17 of this
 16 chapter) that are physically located in or physically connected
 17 to that allocation area.
 18 (H) Reimburse the unit for rentals paid by it for a building or
 19 parking facility that is physically located in or physically
 20 connected to that allocation area under any lease entered into
 21 under IC 36-1-10.
 22 (I) Reimburse public and private entities for expenses incurred
 23 in training employees of industrial facilities that are located:
 24 (i) in the allocation area; and
 25 (ii) on a parcel of real property that has been classified as
 26 industrial property under the rules of the department of local
 27 government finance.
 28 However, the total amount of money spent for this purpose in
 29 any year may not exceed the total amount of money in the
 30 allocation fund that is attributable to property taxes paid by the
 31 industrial facilities described in this clause. The
 32 reimbursements under this clause must be made within three
 33 (3) years after the date on which the investments that are the
 34 basis for the increment financing are made.
 35 (J) Pay the costs of carrying out an eligible efficiency project
 36 (as defined in IC 36-9-41-1.5) within the unit that established
 37 the redevelopment commission. However, property tax
 38 proceeds may be used under this clause to pay the costs of
 39 carrying out an eligible efficiency project only if those
 40 property tax proceeds exceed the amount necessary to do the
 41 following:

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- 1 (i) Make, when due, any payments required under clauses
- 2 (A) through (I), including any payments of principal and
- 3 interest on bonds and other obligations payable under this
- 4 subdivision, any payments of premiums under this
- 5 subdivision on the redemption before maturity of bonds, and
- 6 any payments on leases payable under this subdivision.
- 7 (ii) Make any reimbursements required under this
- 8 subdivision.
- 9 (iii) Pay any expenses required under this subdivision.
- 10 (iv) Establish, augment, or restore any debt service reserve
- 11 under this subdivision.
- 12 (K) Expend money and provide financial assistance as
- 13 authorized in section 7(a)(21) of this chapter.
- 14 The special fund may not be used for operating expenses of the
- 15 commission.
- 16 (4) Before June 15 of each year, the commission shall do the
- 17 following:
- 18 (A) Determine the amount, if any, by which the assessed value
- 19 of the taxable property in the allocation area for the most
- 20 recent assessment date minus the base assessed value, when
- 21 multiplied by the estimated tax rate of the allocation area will
- 22 exceed the amount of assessed value needed to provide the
- 23 property taxes necessary to make, when due, principal and
- 24 interest payments on bonds described in subdivision (3) plus
- 25 the amount necessary for other purposes described in
- 26 subdivision (3) and subsection (g).
- 27 (B) Provide a written notice to the county auditor, the
- 28 legislative body of the consolidated city, the officers who are
- 29 authorized to fix budgets, tax rates, and tax levies under
- 30 IC 6-1.1-17-5 for each of the other taxing units that is wholly
- 31 or partly located within the allocation area, and (in an
- 32 electronic format) the department of local government finance.
- 33 The notice must:
- 34 (i) state the amount, if any, of excess assessed value that the
- 35 commission has determined may be allocated to the
- 36 respective taxing units in the manner prescribed in
- 37 subdivision (1); or
- 38 (ii) state that the commission has determined that there is no
- 39 excess assessed value that may be allocated to the respective
- 40 taxing units in the manner prescribed in subdivision (1).
- 41 The county auditor shall allocate to the respective taxing units

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1 the amount, if any, of excess assessed value determined by the
 2 commission. The commission may not authorize an allocation
 3 to the respective taxing units under this subdivision if to do so
 4 would endanger the interests of the holders of bonds described
 5 in subdivision (3). **If a commission fails to provide the**
 6 **notice under this clause, the county auditor shall allocate**
 7 **five percent (5%) of the assessed value in the allocation**
 8 **area that is used to calculate the allocation and distribution**
 9 **of allocated tax proceeds under this section to the**
 10 **respective taxing units. However, if the commission notifies**
 11 **the county auditor and the department of local government**
 12 **finance, no later than July 15, that it is unable to meet its**
 13 **debt service obligations with regard to the allocation area**
 14 **without all or part of the allocated tax proceeds attributed**
 15 **to the assessed value that has been allocated to the**
 16 **respective taxing units, then the county auditor may not**
 17 **allocate five percent (5%) of the assessed value in the**
 18 **allocation area that is used to calculate the allocation and**
 19 **distribution of allocated tax proceeds under this section to**
 20 **the respective taxing units.**

21 (C) If:

22 (i) the amount of excess assessed value determined by the
 23 commission is expected to generate more than two hundred
 24 percent (200%) of the amount of allocated tax proceeds
 25 necessary to make, when due, principal and interest
 26 payments on bonds described in subdivision (3); plus

27 (ii) the amount necessary for other purposes described in
 28 subdivision (3) and subsection (g);

29 the commission shall submit to the legislative body of the unit
 30 the commission's determination of the excess assessed value
 31 that the commission proposes to allocate to the respective
 32 taxing units in the manner prescribed in subdivision (1). The
 33 legislative body of the unit may approve the commission's
 34 determination or modify the amount of the excess assessed
 35 value that will be allocated to the respective taxing units in the
 36 manner prescribed in subdivision (1).

37 (c) For the purpose of allocating taxes levied by or for any taxing
 38 unit or units, the assessed value of taxable property in a territory in the
 39 allocation area that is annexed by any taxing unit after the effective
 40 date of the allocation provision of the resolution is the lesser of:

41 (1) the assessed value of the property for the assessment date with
 42 respect to which the allocation and distribution is made; or

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1 (2) the base assessed value.

2 (d) Property tax proceeds allocable to the redevelopment district
3 under subsection (b)(3) may, subject to subsection (b)(4), be
4 irrevocably pledged by the redevelopment district for payment as set
5 forth in subsection (b)(3).

6 (e) Notwithstanding any other law, each assessor shall, upon
7 petition of the commission, reassess the taxable property situated upon
8 or in, or added to, the allocation area, effective on the next assessment
9 date after the petition.

10 (f) Notwithstanding any other law, the assessed value of all taxable
11 property in the allocation area, for purposes of tax limitation, property
12 tax replacement, and formulation of the budget, tax rate, and tax levy
13 for each political subdivision in which the property is located is the
14 lesser of:

15 (1) the assessed value of the property as valued without regard to
16 this section; or
17 (2) the base assessed value.

18 (g) If any part of the allocation area is located in an enterprise zone
19 created under IC 5-28-15, the unit that designated the allocation area
20 shall create funds as specified in this subsection. A unit that has
21 obligations, bonds, or leases payable from allocated tax proceeds under
22 subsection (b)(3) shall establish an allocation fund for the purposes
23 specified in subsection (b)(3) and a special zone fund. Such a unit
24 shall, until the end of the enterprise zone phase out period, deposit each
25 year in the special zone fund the amount in the allocation fund derived
26 from property tax proceeds in excess of those described in subsection
27 (b)(1) and (b)(2) from property located in the enterprise zone that
28 exceeds the amount sufficient for the purposes specified in subsection
29 (b)(3) for the year. A unit that has no obligations, bonds, or leases
30 payable from allocated tax proceeds under subsection (b)(3) shall
31 establish a special zone fund and deposit all the property tax proceeds
32 in excess of those described in subsection (b)(1) and (b)(2) in the fund
33 derived from property tax proceeds in excess of those described in
34 subsection (b)(1) and (b)(2) from property located in the enterprise
35 zone. The unit that creates the special zone fund shall use the fund,
36 based on the recommendations of the urban enterprise association, for
37 one (1) or more of the following purposes:

38 (1) To pay for programs in job training, job enrichment, and basic
39 skill development designed to benefit residents and employers in
40 the enterprise zone. The programs must reserve at least one-half
41 (1/2) of the enrollment in any session for residents of the

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1 enterprise zone.
 2 (2) To make loans and grants for the purpose of stimulating
 3 business activity in the enterprise zone or providing employment
 4 for enterprise zone residents in the enterprise zone. These loans
 5 and grants may be made to the following:
 6 (A) Businesses operating in the enterprise zone.
 7 (B) Businesses that will move their operations to the enterprise
 8 zone if such a loan or grant is made.
 9 (3) To provide funds to carry out other purposes specified in
 10 subsection (b)(3). However, where reference is made in
 11 subsection (b)(3) to the allocation area, the reference refers for
 12 purposes of payments from the special zone fund only to that part
 13 of the allocation area that is also located in the enterprise zone.
 14 (h) The state board of accounts and department of local government
 15 finance shall make the rules and prescribe the forms and procedures
 16 that they consider expedient for the implementation of this chapter.
 17 After each reassessment under a reassessment plan prepared under
 18 IC 6-1.1-4-4.2, the ~~department of local government finance~~ **county**
 19 **auditor shall, on forms prescribed by the department of local**
 20 **government finance**, adjust the base assessed value one (1) time to
 21 neutralize any effect of the reassessment of the real property in the area
 22 on the property tax proceeds allocated to the redevelopment district
 23 under this section. After each annual adjustment under IC 6-1.1-4-4.5,
 24 the ~~department of local government finance~~ **county auditor shall, on**
 25 **forms prescribed by the department of local government finance**,
 26 adjust the base assessed value to neutralize any effect of the annual
 27 adjustment on the property tax proceeds allocated to the redevelopment
 28 district under this section. However, the adjustments under this
 29 subsection may not include the effect of property tax abatements under
 30 IC 6-1.1-12.1, and these adjustments may not produce less property tax
 31 proceeds allocable to the redevelopment district under subsection
 32 (b)(3) than would otherwise have been received if the reassessment
 33 under the reassessment plan or annual adjustment had not occurred.
 34 The ~~department of local government finance~~ **may prescribe procedures**
 35 **for county and township officials to follow to assist the department in**
 36 **making the adjustments. The county auditor shall, in the manner**
 37 **prescribed by the department of local government finance, submit**
 38 **the forms required by this subsection to the department of local**
 39 **government finance no later than July 15 of each year. If the**
 40 **county auditor fails to submit the forms by the deadline under this**
 41 **subsection, the county auditor shall allocate five percent (5%) of**

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1 **the assessed value in the allocation area that is used to calculate the**
 2 **allocation and distribution of allocated tax proceeds under this**
 3 **section to the respective taxing units. However, if the commission**
 4 **notifies the county auditor and the department of local government**
 5 **finance, no later than July 15, that it is unable to meet its debt**
 6 **service obligations with regard to the allocation area without all or**
 7 **part of the allocated tax proceeds attributed to the assessed value**
 8 **that has been allocated to the respective taxing units, then the**
 9 **county auditor may not allocate five percent (5%) of the assessed**
 10 **value in the allocation area that is used to calculate the allocation**
 11 **and distribution of allocated tax proceeds under this section to the**
 12 **respective taxing units.**

13 (i) The allocation deadline referred to in subsection (b) is
 14 determined in the following manner:

- 15 (1) The initial allocation deadline is December 31, 2011.
- 16 (2) Subject to subdivision (3), the initial allocation deadline and
 17 subsequent allocation deadlines are automatically extended in
 18 increments of five (5) years, so that allocation deadlines
 19 subsequent to the initial allocation deadline fall on December 31,
 20 2016, and December 31 of each fifth year thereafter.
- 21 (3) At least one (1) year before the date of an allocation deadline
 22 determined under subdivision (2), the general assembly may enact
 23 a law that:
 24 (A) terminates the automatic extension of allocation deadlines
 25 under subdivision (2); and
 26 (B) specifically designates a particular date as the final
 27 allocation deadline.

28 (j) If the commission adopts a declaratory resolution or an
 29 amendment to a declaratory resolution that contains an allocation
 30 provision and the commission makes either of the filings required
 31 under section 10(e) of this chapter after the first anniversary of the
 32 effective date of the allocation provision, the auditor of the county in
 33 which the unit is located shall compute the base assessed value for the
 34 allocation area using the assessment date immediately preceding the
 35 later of:

- 36 (1) the date on which the documents are filed with the county
 37 auditor; or
- 38 (2) the date on which the documents are filed with the department
 39 of local government finance.

40 (k) For an allocation area established after June 30, 2024,
 41 "residential property" refers to the assessed value of property that is
 42 allocated to the one percent (1%) homestead land and improvement

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1 categories in the county tax and billing software system, along with the
 2 residential assessed value as defined for purposes of calculating the
 3 rate for the local income tax property tax relief credit designated for
 4 residential property under IC 6-3.6-5-6(d)(3).

5 SECTION 152. IC 36-7-15.1-26, AS AMENDED BY P.L.68-2025,
 6 SECTION 235, IS AMENDED TO READ AS FOLLOWS
 7 [EFFECTIVE JULY 1, 2028]: Sec. 26. (a) As used in this section:

8 "Allocation area" means that part of a redevelopment project area
 9 to which an allocation provision of a resolution adopted under section
 10 8 of this chapter refers for purposes of distribution and allocation of
 11 property taxes.

12 "Base assessed value" means, subject to subsection (j), the
 13 following:

14 (1) If an allocation provision is adopted after June 30, 1995, in a
 15 declaratory resolution or an amendment to a declaratory
 16 resolution establishing an economic development area:

17 (A) the net assessed value of all the property as finally
 18 determined for the assessment date immediately preceding the
 19 effective date of the allocation provision of the declaratory
 20 resolution, as adjusted under subsection (h); plus

21 (B) to the extent that it is not included in clause (A), the net
 22 assessed value of property that is assessed as residential
 23 property under the rules of the department of local government
 24 finance, within the allocation area, as finally determined for
 25 the current assessment date.

26 (2) If an allocation provision is adopted after June 30, 1997, in a
 27 declaratory resolution or an amendment to a declaratory
 28 resolution establishing a redevelopment project area:

29 (A) the net assessed value of all the property as finally
 30 determined for the assessment date immediately preceding the
 31 effective date of the allocation provision of the declaratory
 32 resolution, as adjusted under subsection (h); plus

33 (B) to the extent that it is not included in clause (A), the net
 34 assessed value of property that is assessed as residential
 35 property under the rules of the department of local government
 36 finance, within the allocation area, as finally determined for
 37 the current assessment date.

38 (3) If:

39 (A) an allocation provision adopted before June 30, 1995, in
 40 a declaratory resolution or an amendment to a declaratory
 41 resolution establishing a redevelopment project area expires

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1 after June 30, 1997; and
 2 (B) after June 30, 1997, a new allocation provision is included
 3 in an amendment to the declaratory resolution;
 4 the net assessed value of all the property as finally determined for
 5 the assessment date immediately preceding the effective date of
 6 the allocation provision adopted after June 30, 1997, as adjusted
 7 under subsection (h).
 8 (4) Except as provided in subdivision (5), for all other allocation
 9 areas, the net assessed value of all the property as finally
 10 determined for the assessment date immediately preceding the
 11 effective date of the allocation provision of the declaratory
 12 resolution, as adjusted under subsection (h).
 13 (5) If an allocation area established in an economic development
 14 area before July 1, 1995, is expanded after June 30, 1995, the
 15 definition in subdivision (1) applies to the expanded part of the
 16 area added after June 30, 1995.
 17 (6) If an allocation area established in a redevelopment project
 18 area before July 1, 1997, is expanded after June 30, 1997, the
 19 definition in subdivision (2) applies to the expanded part of the
 20 area added after June 30, 1997.
 21 Except as provided in section 26.2 of this chapter, "property taxes"
 22 means taxes imposed under IC 6-1.1 on real property. However, upon
 23 approval by a resolution of the redevelopment commission adopted
 24 before June 1, 1987, "property taxes" also includes taxes imposed
 25 under IC 6-1.1 on depreciable personal property. If a redevelopment
 26 commission adopted before June 1, 1987, a resolution to include within
 27 the definition of property taxes, taxes imposed under IC 6-1.1 on
 28 depreciable personal property that has a useful life in excess of eight
 29 (8) years, the commission may by resolution determine the percentage
 30 of taxes imposed under IC 6-1.1 on all depreciable personal property
 31 that will be included within the definition of property taxes. However,
 32 the percentage included must not exceed twenty-five percent (25%) of
 33 the taxes imposed under IC 6-1.1 on all depreciable personal property.
 34 (b) A resolution adopted under section 8 of this chapter on or before
 35 the allocation deadline determined under subsection (i) may include a
 36 provision with respect to the allocation and distribution of property
 37 taxes for the purposes and in the manner provided in this section. A
 38 resolution previously adopted may include an allocation provision by
 39 the amendment of that resolution on or before the allocation deadline
 40 determined under subsection (i) in accordance with the procedures
 41 required for its original adoption. A declaratory resolution or

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1 amendment that establishes an allocation provision must include a
 2 specific finding of fact, supported by evidence, that the adoption of the
 3 allocation provision will result in new property taxes in the area that
 4 would not have been generated but for the adoption of the allocation
 5 provision. For an allocation area established before July 1, 1995, the
 6 expiration date of any allocation provisions for the allocation area is
 7 June 30, 2025, or the last date of any obligations that are outstanding
 8 on July 1, 2015, whichever is later. However, for an allocation area
 9 identified as the Consolidated Allocation Area in the report submitted
 10 in 2013 to the fiscal body under section 36.3 of this chapter, the
 11 expiration date of any allocation provisions for the allocation area is
 12 January 1, 2051. A declaratory resolution or an amendment that
 13 establishes an allocation provision after June 30, 1995, must specify an
 14 expiration date for the allocation provision. For an allocation area
 15 established before July 1, 2008, the expiration date may not be more
 16 than thirty (30) years after the date on which the allocation provision
 17 is established. For an allocation area established after June 30, 2008,
 18 the expiration date may not be more than twenty-five (25) years after
 19 the date on which the first obligation was incurred to pay principal and
 20 interest on bonds or lease rentals on leases payable from tax increment
 21 revenues. However, with respect to bonds or other obligations that were
 22 issued before July 1, 2008, if any of the bonds or other obligations that
 23 were scheduled when issued to mature before the specified expiration
 24 date and that are payable only from allocated tax proceeds with respect
 25 to the allocation area remain outstanding as of the expiration date, the
 26 allocation provision does not expire until all of the bonds or other
 27 obligations are no longer outstanding. The allocation provision may
 28 apply to all or part of the redevelopment project area. The allocation
 29 provision must require that any property taxes subsequently levied by
 30 or for the benefit of any public body entitled to a distribution of
 31 property taxes on taxable property in the allocation area be allocated
 32 and distributed as follows:

33 (1) Except as otherwise provided in this section, the proceeds of
 34 the taxes attributable to the lesser of:

35 (A) the assessed value of the property for the assessment date
 36 with respect to which the allocation and distribution is made;
 37 or

38 (B) the base assessed value;

39 shall be allocated to and, when collected, paid into the funds of
 40 the respective taxing units.

41 (2) The excess of the proceeds of the property taxes imposed for

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1 the assessment date with respect to which the allocation and
 2 distribution is made that are attributable to taxes imposed after
 3 being approved by the voters in a referendum or local public
 4 question conducted after April 30, 2010, not otherwise included
 5 in subdivision (1) shall be allocated to and, when collected, paid
 6 into the funds of the taxing unit for which the referendum or local
 7 public question was conducted.

8 (3) Except as otherwise provided in this section, property tax
 9 proceeds in excess of those described in subdivisions (1) and (2)
 10 shall be allocated to the redevelopment district and, when
 11 collected, paid into a special fund for that allocation area that may
 12 be used by the redevelopment district only to do one (1) or more
 13 of the following:

14 (A) Pay the principal of and interest on any obligations
 15 payable solely from allocated tax proceeds that are incurred by
 16 the redevelopment district for the purpose of financing or
 17 refinancing the redevelopment of that allocation area.

18 (B) Establish, augment, or restore the debt service reserve for
 19 bonds payable solely or in part from allocated tax proceeds in
 20 that allocation area.

21 (C) Pay the principal of and interest on bonds payable from
 22 allocated tax proceeds in that allocation area and from the
 23 special tax levied under section 19 of this chapter.

24 (D) Pay the principal of and interest on bonds issued by the
 25 consolidated city to pay for local public improvements that are
 26 physically located in or physically connected to that allocation
 27 area.

28 (E) Pay premiums on the redemption before maturity of bonds
 29 payable solely or in part from allocated tax proceeds in that
 30 allocation area.

31 (F) Make payments on leases payable from allocated tax
 32 proceeds in that allocation area under section 17.1 of this
 33 chapter.

34 (G) Reimburse the consolidated city for expenditures for local
 35 public improvements (which include buildings, parking
 36 facilities, and other items set forth in section 17 of this
 37 chapter) that are physically located in or physically connected
 38 to that allocation area.

39 (H) Reimburse the unit for rentals paid by it for a building or
 40 parking facility that is physically located in or physically
 41 connected to that allocation area under any lease entered into

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1 under IC 36-1-10.

2 (I) Reimburse public and private entities for expenses incurred
3 in training employees of industrial facilities that are located:

4 (i) in the allocation area; and

5 (ii) on a parcel of real property that has been classified as
6 industrial property under the rules of the department of local
7 government finance.

8 However, the total amount of money spent for this purpose in
9 any year may not exceed the total amount of money in the
10 allocation fund that is attributable to property taxes paid by the
11 industrial facilities described in this clause. The
12 reimbursements under this clause must be made within three
13 (3) years after the date on which the investments that are the
14 basis for the increment financing are made.

15 (J) Pay the costs of carrying out an eligible efficiency project
16 (as defined in IC 36-9-41-1.5) within the unit that established
17 the redevelopment commission. However, property tax
18 proceeds may be used under this clause to pay the costs of
19 carrying out an eligible efficiency project only if those
20 property tax proceeds exceed the amount necessary to do the
21 following:

22 (i) Make, when due, any payments required under clauses
23 (A) through (I), including any payments of principal and
24 interest on bonds and other obligations payable under this
25 subdivision, any payments of premiums under this
26 subdivision on the redemption before maturity of bonds, and
27 any payments on leases payable under this subdivision.

28 (ii) Make any reimbursements required under this
29 subdivision.

30 (iii) Pay any expenses required under this subdivision.

31 (iv) Establish, augment, or restore any debt service reserve
32 under this subdivision.

33 (K) Expend money and provide financial assistance as
34 authorized in section 7(a)(21) of this chapter.

35 The special fund may not be used for operating expenses of the
36 commission.

37 (4) Before June 15 of each year, the commission shall do the
38 following:

39 (A) Determine the amount, if any, by which the assessed value
40 of the taxable property in the allocation area for the most
41 recent assessment date minus the base assessed value, when

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multiplied by the estimated tax rate of the allocation area will exceed the amount of assessed value needed to provide the property taxes necessary to make, when due, principal and interest payments on bonds described in subdivision (3) plus the amount necessary for other purposes described in subdivision (3) and subsection (g).

(B) Provide a written notice to the county auditor, the legislative body of the consolidated city, the officers who are authorized to fix budgets, tax rates, and tax levies under IC 6-1.1-17-5 for each of the other taxing units that is wholly or partly located within the allocation area, and (in an electronic format) the department of local government finance.

The notice must:

- (i) state the amount, if any, of excess assessed value that the commission has determined may be allocated to the respective taxing units in the manner prescribed in subdivision (1); or
- (ii) state that the commission has determined that there is no excess assessed value that may be allocated to the respective taxing units in the manner prescribed in subdivision (1).

The county auditor shall allocate to the respective taxing units the amount, if any, of excess assessed value determined by the commission. The commission may not authorize an allocation to the respective taxing units under this subdivision if to do so would endanger the interests of the holders of bonds described in subdivision (3). **If a commission fails to provide the notice under this clause, the county auditor shall allocate five percent (5%) of the assessed value in the allocation area that is used to calculate the allocation and distribution of allocated tax proceeds under this section to the respective taxing units. However, if the commission notifies the county auditor and the department of local government finance, no later than July 15, that it is unable to meet its debt service obligations with regard to the allocation area without all or part of the allocated tax proceeds attributed to the assessed value that has been allocated to the respective taxing units, then the county auditor may not allocate five percent (5%) of the assessed value in the allocation area that is used to calculate the allocation and distribution of allocated tax proceeds under this section to the respective taxing units.**

(C) If:

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1 (i) the amount of excess assessed value determined by the
 2 commission is expected to generate more than two hundred
 3 percent (200%) of the amount of allocated tax proceeds
 4 necessary to make, when due, principal and interest
 5 payments on bonds described in subdivision (3); plus

6 (ii) the amount necessary for other purposes described in
 7 subdivision (3) and subsection (g);

8 the commission shall submit to the legislative body of the unit
 9 the commission's determination of the excess assessed value
 10 that the commission proposes to allocate to the respective
 11 taxing units in the manner prescribed in subdivision (1). The
 12 legislative body of the unit may approve the commission's
 13 determination or modify the amount of the excess assessed
 14 value that will be allocated to the respective taxing units in the
 15 manner prescribed in subdivision (1).

16 (c) For the purpose of allocating taxes levied by or for any taxing
 17 unit or units, the assessed value of taxable property in a territory in the
 18 allocation area that is annexed by any taxing unit after the effective
 19 date of the allocation provision of the resolution is the lesser of:

- 20 (1) the assessed value of the property for the assessment date with
 21 respect to which the allocation and distribution is made; or
 22 (2) the base assessed value.

23 (d) Property tax proceeds allocable to the redevelopment district
 24 under subsection (b)(3) may, subject to subsection (b)(4), be
 25 irrevocably pledged by the redevelopment district for payment as set
 26 forth in subsection (b)(3).

27 (e) Notwithstanding any other law, each assessor shall, upon
 28 petition of the commission, reassess the taxable property situated upon
 29 or in, or added to, the allocation area, effective on the next assessment
 30 date after the petition.

31 (f) Notwithstanding any other law, the assessed value of all taxable
 32 property in the allocation area, for purposes of tax limitation, property
 33 tax replacement, and formulation of the budget, tax rate, and tax levy
 34 for each political subdivision in which the property is located is the
 35 lesser of:

- 36 (1) the assessed value of the property as valued without regard to
 37 this section; or
 38 (2) the base assessed value.

39 (g) If any part of the allocation area is located in an enterprise zone
 40 created under IC 5-28-15, the unit that designated the allocation area
 41 shall create funds as specified in this subsection. A unit that has

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1 obligations, bonds, or leases payable from allocated tax proceeds under
 2 subsection (b)(3) shall establish an allocation fund for the purposes
 3 specified in subsection (b)(3) and a special zone fund. Such a unit
 4 shall, until the end of the enterprise zone phase out period, deposit each
 5 year in the special zone fund the amount in the allocation fund derived
 6 from property tax proceeds in excess of those described in subsection
 7 (b)(1) and (b)(2) from property located in the enterprise zone that
 8 exceeds the amount sufficient for the purposes specified in subsection
 9 (b)(3) for the year. A unit that has no obligations, bonds, or leases
 10 payable from allocated tax proceeds under subsection (b)(3) shall
 11 establish a special zone fund and deposit all the property tax proceeds
 12 in excess of those described in subsection (b)(1) and (b)(2) in the fund
 13 derived from property tax proceeds in excess of those described in
 14 subsection (b)(1) and (b)(2) from property located in the enterprise
 15 zone. The unit that creates the special zone fund shall use the fund,
 16 based on the recommendations of the urban enterprise association, for
 17 one (1) or more of the following purposes:

18 (1) To pay for programs in job training, job enrichment, and basic
 19 skill development designed to benefit residents and employers in
 20 the enterprise zone. The programs must reserve at least one-half
 21 (1/2) of the enrollment in any session for residents of the
 22 enterprise zone.

23 (2) To make loans and grants for the purpose of stimulating
 24 business activity in the enterprise zone or providing employment
 25 for enterprise zone residents in the enterprise zone. These loans
 26 and grants may be made to the following:

27 (A) Businesses operating in the enterprise zone.

28 (B) Businesses that will move their operations to the enterprise
 29 zone if such a loan or grant is made.

30 (3) To provide funds to carry out other purposes specified in
 31 subsection (b)(3). However, where reference is made in
 32 subsection (b)(3) to the allocation area, the reference refers for
 33 purposes of payments from the special zone fund only to that part
 34 of the allocation area that is also located in the enterprise zone.

35 (h) The state board of accounts and department of local government
 36 finance shall make the rules and prescribe the forms and procedures
 37 that they consider expedient for the implementation of this chapter.
 38 After each reassessment under a reassessment plan prepared under
 39 IC 6-1.1-4-4.2, the ~~department of local government finance~~ **county**
 40 **auditor** shall, **on forms prescribed by the department of local**
 41 **government finance**, adjust the base assessed value one (1) time to

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1 neutralize any effect of the reassessment of the real property in the area
 2 on the property tax proceeds allocated to the redevelopment district
 3 under this section. After each annual adjustment under IC 6-1.1-4-4.5,
 4 the ~~department of local government finance~~ **county auditor** shall, **on**
 5 **forms prescribed by the department of local government finance,**
 6 adjust the base assessed value to neutralize any effect of the annual
 7 adjustment on the property tax proceeds allocated to the redevelopment
 8 district under this section. However, the adjustments under this
 9 subsection may not include the effect of property tax abatements under
 10 IC 6-1.1-12.1, and these adjustments may not produce less property tax
 11 proceeds allocable to the redevelopment district under subsection
 12 (b)(3) than would otherwise have been received if the reassessment
 13 under the reassessment plan or annual adjustment had not occurred.
 14 ~~The department of local government finance may prescribe procedures~~
 15 ~~for county and township officials to follow to assist the department in~~
 16 ~~making the adjustments.~~ **The county auditor shall, in the manner**
 17 **prescribed by the department of local government finance, submit**
 18 **the forms required by this subsection to the department of local**
 19 **government finance no later than July 15 of each year. If the**
 20 **county auditor fails to submit the forms by the deadline under this**
 21 **subsection, the county auditor shall allocate five percent (5%) of**
 22 **the assessed value in the allocation area that is used to calculate the**
 23 **allocation and distribution of allocated tax proceeds under this**
 24 **section to the respective taxing units. However, if the commission**
 25 **notifies the county auditor and the department of local government**
 26 **finance, no later than July 15, that it is unable to meet its debt**
 27 **service obligations with regard to the allocation area without all or**
 28 **part of the allocated tax proceeds attributed to the assessed value**
 29 **that has been allocated to the respective taxing units, then the**
 30 **county auditor may not allocate five percent (5%) of the assessed**
 31 **value in the allocation area that is used to calculate the allocation**
 32 **and distribution of allocated tax proceeds under this section to the**
 33 **respective taxing units.**

34 (i) The allocation deadline referred to in subsection (b) is
 35 determined in the following manner:

- 36 (1) The initial allocation deadline is December 31, 2011.
 37 (2) Subject to subdivision (3), the initial allocation deadline and
 38 subsequent allocation deadlines are automatically extended in
 39 increments of five (5) years, so that allocation deadlines
 40 subsequent to the initial allocation deadline fall on December 31,
 41 2016, and December 31 of each fifth year thereafter.
 42 (3) At least one (1) year before the date of an allocation deadline



- 1 determined under subdivision (2), the general assembly may enact
 2 a law that:
- 3 (A) terminates the automatic extension of allocation deadlines
 4 under subdivision (2); and
 5 (B) specifically designates a particular date as the final
 6 allocation deadline.
- 7 (j) If the commission adopts a declaratory resolution or an
 8 amendment to a declaratory resolution that contains an allocation
 9 provision and the commission makes either of the filings required
 10 under section 10(e) of this chapter after the first anniversary of the
 11 effective date of the allocation provision, the auditor of the county in
 12 which the unit is located shall compute the base assessed value for the
 13 allocation area using the assessment date immediately preceding the
 14 later of:
- 15 (1) the date on which the documents are filed with the county
 16 auditor; or
 17 (2) the date on which the documents are filed with the department
 18 of local government finance.
- 19 (k) For an allocation area established after June 30, 2024,
 20 "residential property" refers to the assessed value of property that is
 21 allocated to the one percent (1%) homestead land and improvement
 22 categories in the county tax and billing software system, along with the
 23 residential assessed value as defined for purposes of calculating the
 24 rate for the local income tax property tax relief credit designated for
 25 residential property under IC 6-3.6-5-6(d)(3) (before its expiration).
- 26 SECTION 153. IC 36-7-15.1-35, AS AMENDED BY P.L.257-2019,
 27 SECTION 128, IS AMENDED TO READ AS FOLLOWS
 28 [EFFECTIVE UPON PASSAGE]: Sec. 35. (a) Notwithstanding section
 29 26(a) of this chapter, with respect to the allocation and distribution of
 30 property taxes for the accomplishment of a program adopted under
 31 section 32 of this chapter, "base assessed value" means, subject to
 32 section 26(j) of this chapter, the net assessed value of all of the land as
 33 finally determined for the assessment date immediately preceding the
 34 effective date of the allocation provision, as adjusted under section
 35 26(h) of this chapter. However, "base assessed value" does not include
 36 the value of real property improvements to the land.
- 37 (b) The special fund established under section 26(b) of this chapter
 38 for the allocation area for a program adopted under section 32 of this
 39 chapter may be used only for purposes related to the accomplishment
 40 of the program, including the following:
- 41 (1) The construction, rehabilitation, or repair of residential units

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1 within the allocation area.
 2 (2) The construction, reconstruction, or repair of infrastructure
 3 (such as streets, sidewalks, and sewers) within or serving the
 4 allocation area.
 5 (3) The acquisition of real property and interests in real property
 6 within the allocation area.
 7 (4) The demolition of real property within the allocation area.
 8 (5) To provide financial assistance to enable individuals and
 9 families to purchase or lease residential units within the allocation
 10 area. However, financial assistance may be provided only to those
 11 individuals and families whose income is at or below the county's
 12 median income for individuals and families, respectively.
 13 (6) To provide financial assistance to neighborhood development
 14 corporations to permit them to provide financial assistance for the
 15 purposes described in subdivision (5).
 16 (7) For property taxes first due and payable before 2009, to
 17 provide each taxpayer in the allocation area a credit for property
 18 tax replacement as determined under subsections (c) and (d).
 19 However, this credit may be provided by the commission only if
 20 the city-county legislative body establishes the credit by
 21 ordinance adopted in the year before the year in which the credit
 22 is provided.
 23 (c) The maximum credit that may be provided under subsection
 24 (b)(7) to a taxpayer in a taxing district that contains all or part of an
 25 allocation area established for a program adopted under section 32 of
 26 this chapter shall be determined as follows:
 27 STEP ONE: Determine that part of the sum of the amounts
 28 described in IC 6-1.1-21-2(g)(1)(A) and IC 6-1.1-21-2(g)(2)
 29 through IC 6-1.1-21-2(g)(5) (before their repeal) that is
 30 attributable to the taxing district.
 31 STEP TWO: Divide:
 32 (A) that part of each county's eligible property tax replacement
 33 amount (as defined in IC 6-1.1-21-2 (before its repeal)) for
 34 that year as determined under IC 6-1.1-21-4(a)(1) (before its
 35 repeal) that is attributable to the taxing district; by
 36 (B) the amount determined under STEP ONE.
 37 STEP THREE: Multiply:
 38 (A) the STEP TWO quotient; by
 39 (B) the taxpayer's taxes (as defined in IC 6-1.1-21-2 (before its
 40 repeal)) levied in the taxing district allocated to the allocation
 41 fund, including the amount that would have been allocated but

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1 for the credit.

2 (d) Except as provided in subsection (g), the commission may
 3 determine to grant to taxpayers in an allocation area from its allocation
 4 fund a credit under this section, as calculated under subsection (c), by
 5 applying one-half (1/2) of the credit to each installment of taxes (as
 6 defined in IC 6-1.1-21-2 (before its repeal)) that under IC 6-1.1-22-9
 7 are due and payable in a year. Except as provided in subsection (g),
 8 one-half (1/2) of the credit shall be applied to each installment of taxes
 9 (as defined in IC 6-1.1-21-2 (before its repeal)). The commission must
 10 provide for the credit annually by a resolution and must find in the
 11 resolution the following:

12 (1) That the money to be collected and deposited in the allocation
 13 fund, based upon historical collection rates, after granting the
 14 credit will equal the amounts payable for contractual obligations
 15 from the fund, plus ten percent (10%) of those amounts.

16 (2) If bonds payable from the fund are outstanding, that there is
 17 a debt service reserve for the bonds that at least equals the amount
 18 of the credit to be granted.

19 (3) If bonds of a lessor under section 17.1 of this chapter or under
 20 IC 36-1-10 are outstanding and if lease rentals are payable from
 21 the fund, that there is a debt service reserve for those bonds that
 22 at least equals the amount of the credit to be granted.

23 If the tax increment is insufficient to grant the credit in full, the
 24 commission may grant the credit in part, prorated among all taxpayers.

25 (e) Notwithstanding section 26(b) of this chapter, the special fund
 26 established under section 26(b) of this chapter for the allocation area
 27 for a program adopted under section 32 of this chapter may only be
 28 used to do one (1) or more of the following:

29 (1) Accomplish one (1) or more of the actions set forth in section
 30 26(b)(3)(A) through 26(b)(3)(H) of this chapter.

31 (2) Reimburse the consolidated city for expenditures made by the
 32 city in order to accomplish the housing program in that allocation
 33 area.

34 The special fund may not be used for operating expenses of the
 35 commission.

36 (f) Notwithstanding section 26(b) of this chapter, the commission
 37 shall, relative to the special fund established under section 26(b) of this
 38 chapter for an allocation area for a program adopted under section 32
 39 of this chapter, do the following before June 15 of each year:

40 (1) Determine the amount, if any, by which the assessed value of
 41 the taxable property in the allocation area, when multiplied by the

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1 estimated tax rate of the allocation area, will exceed the amount
 2 of assessed value needed to produce the property taxes necessary
 3 to:

4 (A) make the distribution required under section 26(b)(2) of
 5 this chapter;

6 (B) make, when due, principal and interest payments on bonds
 7 described in section 26(b)(3) of this chapter;

8 (C) pay the amount necessary for other purposes described in
 9 section 26(b)(3) of this chapter; and

10 (D) reimburse the consolidated city for anticipated
 11 expenditures described in subsection (e)(2).

12 (2) Provide a written notice to the county auditor, the legislative
 13 body of the consolidated city, the officers who are authorized to
 14 fix budgets, tax rates, and tax levies under IC 6-1.1-17-5 for each
 15 of the other taxing units that is wholly or partly located within the
 16 allocation area, and (in an electronic format) the department of
 17 local government finance. The notice must:

18 (A) state the amount, if any, of excess assessed value that the
 19 commission has determined may be allocated to the respective
 20 taxing units in the manner prescribed in section 26(b)(1) of
 21 this chapter; or

22 (B) state that the commission has determined that there is no
 23 excess assessed value that may be allocated to the respective
 24 taxing units in the manner prescribed in section 26(b)(1) of
 25 this chapter.

26 The county auditor shall allocate to the respective taxing units the
 27 amount, if any, of excess assessed value determined by the
 28 commission. **If a commission fails to provide the notice under
 29 this subdivision, the county auditor shall allocate five percent
 30 (5%) of the assessed value in the allocation area that is used
 31 to calculate the allocation and distribution of allocated tax
 32 proceeds under this section to the respective taxing units.
 33 However, if the commission notifies the county auditor and
 34 the department of local government finance, no later than
 35 July 15, that it is unable to meet its debt service obligations
 36 with regard to the allocation area without all or part of the
 37 allocated tax proceeds attributed to the assessed value that
 38 has been allocated to the respective taxing units, then the
 39 county auditor may not allocate five percent (5%) of the
 40 assessed value in the allocation area that is used to calculate
 41 the allocation and distribution of allocated tax proceeds under
 42 this section to the respective taxing units.**

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1 (g) This subsection applies to an allocation area only to the extent
 2 that the net assessed value of property that is assessed as residential
 3 property under the rules of the department of local government finance
 4 is not included in the base assessed value. If property tax installments
 5 with respect to a homestead (as defined in IC 6-1.1-20.9-1 (before its
 6 repeal)) are due in installments established by the department of local
 7 government finance under IC 6-1.1-22-9.5, each taxpayer subject to
 8 those installments in an allocation area is entitled to an additional
 9 credit under subsection (d) for the taxes (as defined in IC 6-1.1-21-2
 10 (before its repeal)) due in installments. The credit shall be applied in
 11 the same proportion to each installment of taxes (as defined in
 12 IC 6-1.1-21-2 (before its repeal)).

13 SECTION 154. IC 36-7-15.1-53, AS AMENDED BY P.L. 174-2022,
 14 SECTION 73, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 15 UPON PASSAGE]: Sec. 53. (a) As used in this section:

16 "Allocation area" means that part of a redevelopment project area
 17 to which an allocation provision of a resolution adopted under section
 18 40 of this chapter refers for purposes of distribution and allocation of
 19 property taxes.

20 "Base assessed value" means, subject to subsection (j):

21 (1) the net assessed value of all the property as finally determined
 22 for the assessment date immediately preceding the effective date
 23 of the allocation provision of the declaratory resolution, as
 24 adjusted under subsection (h); plus

25 (2) to the extent that it is not included in subdivision (1), the net
 26 assessed value of property that is assessed as residential property
 27 under the rules of the department of local government finance, as
 28 finally determined for the current assessment date.

29 Except as provided in section 55 of this chapter, "property taxes"
 30 means taxes imposed under IC 6-1.1 on real property.

31 (b) A resolution adopted under section 40 of this chapter on or
 32 before the allocation deadline determined under subsection (i) may
 33 include a provision with respect to the allocation and distribution of
 34 property taxes for the purposes and in the manner provided in this
 35 section. A resolution previously adopted may include an allocation
 36 provision by the amendment of that resolution on or before the
 37 allocation deadline determined under subsection (i) in accordance with
 38 the procedures required for its original adoption. A declaratory
 39 resolution or an amendment that establishes an allocation provision
 40 must be approved by resolution of the legislative body of the excluded
 41 city and must specify an expiration date for the allocation provision.

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1 For an allocation area established before July 1, 2008, the expiration
 2 date may not be more than thirty (30) years after the date on which the
 3 allocation provision is established. For an allocation area established
 4 after June 30, 2008, the expiration date may not be more than
 5 twenty-five (25) years after the date on which the first obligation was
 6 incurred to pay principal and interest on bonds or lease rentals on
 7 leases payable from tax increment revenues. However, with respect to
 8 bonds or other obligations that were issued before July 1, 2008, if any
 9 of the bonds or other obligations that were scheduled when issued to
 10 mature before the specified expiration date and that are payable only
 11 from allocated tax proceeds with respect to the allocation area remain
 12 outstanding as of the expiration date, the allocation provision does not
 13 expire until all of the bonds or other obligations are no longer
 14 outstanding. The allocation provision may apply to all or part of the
 15 redevelopment project area. The allocation provision must require that
 16 any property taxes subsequently levied by or for the benefit of any
 17 public body entitled to a distribution of property taxes on taxable
 18 property in the allocation area be allocated and distributed as follows:

19 (1) Except as otherwise provided in this section, the proceeds of
 20 the taxes attributable to the lesser of:

21 (A) the assessed value of the property for the assessment date
 22 with respect to which the allocation and distribution is made;

23 or

24 (B) the base assessed value;

25 shall be allocated to and, when collected, paid into the funds of
 26 the respective taxing units.

27 (2) The excess of the proceeds of the property taxes imposed for
 28 the assessment date with respect to which the allocation and
 29 distribution is made that are attributable to taxes imposed after
 30 being approved by the voters in a referendum or local public
 31 question conducted after April 30, 2010, not otherwise included
 32 in subdivision (1) shall be allocated to and, when collected, paid
 33 into the funds of the taxing unit for which the referendum or local
 34 public question was conducted.

35 (3) Except as otherwise provided in this section, property tax
 36 proceeds in excess of those described in subdivisions (1) and (2)
 37 shall be allocated to the redevelopment district and, when
 38 collected, paid into a special fund for that allocation area that may
 39 be used by the redevelopment district only to do one (1) or more
 40 of the following:

41 (A) Pay the principal of and interest on any obligations

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- 1 payable solely from allocated tax proceeds that are incurred by
 2 the redevelopment district for the purpose of financing or
 3 refinancing the redevelopment of that allocation area.
- 4 (B) Establish, augment, or restore the debt service reserve for
 5 bonds payable solely or in part from allocated tax proceeds in
 6 that allocation area.
- 7 (C) Pay the principal of and interest on bonds payable from
 8 allocated tax proceeds in that allocation area and from the
 9 special tax levied under section 50 of this chapter.
- 10 (D) Pay the principal of and interest on bonds issued by the
 11 excluded city to pay for local public improvements that are
 12 physically located in or physically connected to that allocation
 13 area.
- 14 (E) Pay premiums on the redemption before maturity of bonds
 15 payable solely or in part from allocated tax proceeds in that
 16 allocation area.
- 17 (F) Make payments on leases payable from allocated tax
 18 proceeds in that allocation area under section 46 of this
 19 chapter.
- 20 (G) Reimburse the excluded city for expenditures for local
 21 public improvements (which include buildings, park facilities,
 22 and other items set forth in section 45 of this chapter) that are
 23 physically located in or physically connected to that allocation
 24 area.
- 25 (H) Reimburse the unit for rentals paid by it for a building or
 26 parking facility that is physically located in or physically
 27 connected to that allocation area under any lease entered into
 28 under IC 36-1-10.
- 29 (I) Reimburse public and private entities for expenses incurred
 30 in training employees of industrial facilities that are located:
- 31 (i) in the allocation area; and
 32 (ii) on a parcel of real property that has been classified as
 33 industrial property under the rules of the department of local
 34 government finance.
- 35 However, the total amount of money spent for this purpose in
 36 any year may not exceed the total amount of money in the
 37 allocation fund that is attributable to property taxes paid by the
 38 industrial facilities described in this clause. The
 39 reimbursements under this clause must be made within three
 40 (3) years after the date on which the investments that are the
 41 basis for the increment financing are made.

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The special fund may not be used for operating expenses of the commission.

(4) Before June 15 of each year, the commission shall do the following:

(A) Determine the amount, if any, by which the assessed value of the taxable property in the allocation area for the most recent assessment date minus the base assessed value, when multiplied by the estimated tax rate of the allocation area, will exceed the amount of assessed value needed to provide the property taxes necessary to make, when due, principal and interest payments on bonds described in subdivision (3) plus the amount necessary for other purposes described in subdivision (3) and subsection (g).

(B) Provide a written notice to the county auditor, the fiscal body of the county or municipality that established the department of redevelopment, the officers who are authorized to fix budgets, tax rates, and tax levies under IC 6-1.1-17-5 for each of the other taxing units that is wholly or partly located within the allocation area, and (in an electronic format) the department of local government finance. The notice must:

(i) state the amount, if any, of excess assessed value that the commission has determined may be allocated to the respective taxing units in the manner prescribed in subdivision (1); or

(ii) state that the commission has determined that there is no excess assessed value that may be allocated to the respective taxing units in the manner prescribed in subdivision (1).

The county auditor shall allocate to the respective taxing units the amount, if any, of excess assessed value determined by the commission. The commission may not authorize an allocation to the respective taxing units under this subdivision if to do so would endanger the interests of the holders of bonds described in subdivision (3). **If a commission fails to provide the notice under this clause, the county auditor shall allocate five percent (5%) of the assessed value in the allocation area that is used to calculate the allocation and distribution of allocated tax proceeds under this section to the respective taxing units. However, if the commission notifies the county auditor and the department of local government finance, no later than July 15, that it is unable to meet its debt service obligations with regard to the allocation area without all or part of the allocated tax proceeds attributed**

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1 **to the assessed value that has been allocated to the**
 2 **respective taxing units, then the county auditor may not**
 3 **allocate five percent (5%) of the assessed value in the**
 4 **allocation area that is used to calculate the allocation and**
 5 **distribution of allocated tax proceeds under this section to**
 6 **the respective taxing units.**

7 (c) For the purpose of allocating taxes levied by or for any taxing
 8 unit or units, the assessed value of taxable property in a territory in the
 9 allocation area that is annexed by any taxing unit after the effective
 10 date of the allocation provision of the resolution is the lesser of:

- 11 (1) the assessed value of the property for the assessment date with
 12 respect to which the allocation and distribution is made; or
 13 (2) the base assessed value.

14 (d) Property tax proceeds allocable to the redevelopment district
 15 under subsection (b)(3) may, subject to subsection (b)(4), be
 16 irrevocably pledged by the redevelopment district for payment as set
 17 forth in subsection (b)(3).

18 (e) Notwithstanding any other law, each assessor shall, upon
 19 petition of the commission, reassess the taxable property situated upon
 20 or in, or added to, the allocation area, effective on the next assessment
 21 date after the petition.

22 (f) Notwithstanding any other law, the assessed value of all taxable
 23 property in the allocation area, for purposes of tax limitation, property
 24 tax replacement, and formulation of the budget, tax rate, and tax levy
 25 for each political subdivision in which the property is located, is the
 26 lesser of:

- 27 (1) the assessed value of the property as valued without regard to
 28 this section; or
 29 (2) the base assessed value.

30 (g) If any part of the allocation area is located in an enterprise zone
 31 created under IC 5-28-15, the unit that designated the allocation area
 32 shall create funds as specified in this subsection. A unit that has
 33 obligations, bonds, or leases payable from allocated tax proceeds under
 34 subsection (b)(3) shall establish an allocation fund for the purposes
 35 specified in subsection (b)(3) and a special zone fund. Such a unit
 36 shall, until the end of the enterprise zone phase out period, deposit each
 37 year in the special zone fund the amount in the allocation fund derived
 38 from property tax proceeds in excess of those described in subsection
 39 (b)(1) and (b)(2) from property located in the enterprise zone that
 40 exceeds the amount sufficient for the purposes specified in subsection
 41 (b)(3) for the year. A unit that has no obligations, bonds, or leases
 42 payable from allocated tax proceeds under subsection (b)(3) shall

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1 establish a special zone fund and deposit all the property tax proceeds
 2 in excess of those described in subsection (b)(1) and (b)(2) in the fund
 3 derived from property tax proceeds in excess of those described in
 4 subsection (b)(1) and (b)(2) from property located in the enterprise
 5 zone. The unit that creates the special zone fund shall use the fund,
 6 based on the recommendations of the urban enterprise association, for
 7 one (1) or more of the following purposes:

8 (1) To pay for programs in job training, job enrichment, and basic
 9 skill development designed to benefit residents and employers in
 10 the enterprise zone. The programs must reserve at least one-half
 11 (1/2) of the enrollment in any session for residents of the
 12 enterprise zone.

13 (2) To make loans and grants for the purpose of stimulating
 14 business activity in the enterprise zone or providing employment
 15 for enterprise zone residents in an enterprise zone. These loans
 16 and grants may be made to the following:

17 (A) Businesses operating in the enterprise zone.

18 (B) Businesses that will move their operations to the enterprise
 19 zone if such a loan or grant is made.

20 (3) To provide funds to carry out other purposes specified in
 21 subsection (b)(3). However, where reference is made in
 22 subsection (b)(3) to the allocation area, the reference refers, for
 23 purposes of payments from the special zone fund, only to that part
 24 of the allocation area that is also located in the enterprise zone.

25 (h) The state board of accounts and department of local government
 26 finance shall make the rules and prescribe the forms and procedures
 27 that they consider expedient for the implementation of this chapter.
 28 After each reassessment of real property in an area under a county's
 29 reassessment plan prepared under IC 6-1.1-4-4.2, the ~~department of~~
 30 ~~local government finance~~ **county auditor** shall, **on forms prescribed**
 31 **by the department of local government finance**, adjust the base
 32 assessed value one (1) time to neutralize any effect of the reassessment
 33 of the real property in the area on the property tax proceeds allocated
 34 to the redevelopment district under this section. After each annual
 35 adjustment under IC 6-1.1-4-4.5, the ~~department of local government~~
 36 ~~finance~~ **county auditor** shall, **on forms prescribed by the**
 37 **department of local government finance**, adjust the base assessed
 38 value to neutralize any effect of the annual adjustment on the property
 39 tax proceeds allocated to the redevelopment district under this section.
 40 However, the adjustments under this subsection may not include the
 41 effect of property tax abatements under IC 6-1.1-12.1, and these

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1 adjustments may not produce less property tax proceeds allocable to
 2 the redevelopment district under subsection (b)(3) than would
 3 otherwise have been received if the reassessment under the county's
 4 reassessment plan or annual adjustment had not occurred. The
 5 department of local government finance may prescribe procedures for
 6 county and township officials to follow to assist the department in
 7 making the adjustments. **The county auditor shall, in the manner**
 8 **prescribed by the department of local government finance, submit**
 9 **the forms required by this subsection to the department of local**
 10 **government finance no later than July 15 of each year. If the**
 11 **county auditor fails to submit the forms by the deadline under this**
 12 **subsection, the county auditor shall allocate five percent (5%) of**
 13 **the assessed value in the allocation area that is used to calculate the**
 14 **allocation and distribution of allocated tax proceeds under this**
 15 **section to the respective taxing units. However, if the commission**
 16 **notifies the county auditor and the department of local government**
 17 **finance, no later than July 15, that it is unable to meet its debt**
 18 **service obligations with regard to the allocation area without all or**
 19 **part of the allocated tax proceeds attributed to the assessed value**
 20 **that has been allocated to the respective taxing units, then the**
 21 **county auditor may not allocate five percent (5%) of the assessed**
 22 **value in the allocation area that is used to calculate the allocation**
 23 **and distribution of allocated tax proceeds under this section to the**
 24 **respective taxing units.**

25 (i) The allocation deadline referred to in subsection (b) is
 26 determined in the following manner:

27 (1) The initial allocation deadline is December 31, 2011.

28 (2) Subject to subdivision (3), the initial allocation deadline and
 29 subsequent allocation deadlines are automatically extended in
 30 increments of five (5) years, so that allocation deadlines
 31 subsequent to the initial allocation deadline fall on December 31,
 32 2016, and December 31 of each fifth year thereafter.

33 (3) At least one (1) year before the date of an allocation deadline
 34 determined under subdivision (2), the general assembly may enact
 35 a law that:

36 (A) terminates the automatic extension of allocation deadlines
 37 under subdivision (2); and

38 (B) specifically designates a particular date as the final
 39 allocation deadline.

40 (j) If the commission adopts a declaratory resolution or an
 41 amendment to a declaratory resolution that contains an allocation
 42 provision and the commission makes either of the filings required

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1 under section 10(e) of this chapter after the first anniversary of the
2 effective date of the allocation provision, the auditor of the county in
3 which the unit is located shall compute the base assessed value for the
4 allocation area using the assessment date immediately preceding the
5 later of:

6 (1) the date on which the documents are filed with the county
7 auditor; or

8 (2) the date on which the documents are filed with the department
9 of local government finance.

10 (k) For an allocation area established after June 30, 2024,
11 "residential property" refers to the assessed value of property that is
12 allocated to the one percent (1%) homestead land and improvement
13 categories in the county tax and billing software system, along with the
14 residential assessed value as defined for purposes of calculating the
15 rate for the local income tax property tax relief credit designated for
16 residential property under IC 6-3.6-5-6(d)(3).

17 SECTION 155. IC 36-7-15.1-53, AS AMENDED BY P.L.68-2025,
18 SECTION 236, IS AMENDED TO READ AS FOLLOWS
19 [EFFECTIVE JULY 1, 2028]: Sec. 53. (a) As used in this section:

20 "Allocation area" means that part of a redevelopment project area
21 to which an allocation provision of a resolution adopted under section
22 40 of this chapter refers for purposes of distribution and allocation of
23 property taxes.

24 "Base assessed value" means, subject to subsection (j):

25 (1) the net assessed value of all the property as finally determined
26 for the assessment date immediately preceding the effective date
27 of the allocation provision of the declaratory resolution, as
28 adjusted under subsection (h); plus

29 (2) to the extent that it is not included in subdivision (1), the net
30 assessed value of property that is assessed as residential property
31 under the rules of the department of local government finance, as
32 finally determined for the current assessment date.

33 Except as provided in section 55 of this chapter, "property taxes"
34 means taxes imposed under IC 6-1.1 on real property.

35 (b) A resolution adopted under section 40 of this chapter on or
36 before the allocation deadline determined under subsection (i) may
37 include a provision with respect to the allocation and distribution of
38 property taxes for the purposes and in the manner provided in this
39 section. A resolution previously adopted may include an allocation
40 provision by the amendment of that resolution on or before the
41 allocation deadline determined under subsection (i) in accordance with

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1 the procedures required for its original adoption. A declaratory
 2 resolution or an amendment that establishes an allocation provision
 3 must be approved by resolution of the legislative body of the excluded
 4 city and must specify an expiration date for the allocation provision.
 5 For an allocation area established before July 1, 2008, the expiration
 6 date may not be more than thirty (30) years after the date on which the
 7 allocation provision is established. For an allocation area established
 8 after June 30, 2008, the expiration date may not be more than
 9 twenty-five (25) years after the date on which the first obligation was
 10 incurred to pay principal and interest on bonds or lease rentals on
 11 leases payable from tax increment revenues. However, with respect to
 12 bonds or other obligations that were issued before July 1, 2008, if any
 13 of the bonds or other obligations that were scheduled when issued to
 14 mature before the specified expiration date and that are payable only
 15 from allocated tax proceeds with respect to the allocation area remain
 16 outstanding as of the expiration date, the allocation provision does not
 17 expire until all of the bonds or other obligations are no longer
 18 outstanding. The allocation provision may apply to all or part of the
 19 redevelopment project area. The allocation provision must require that
 20 any property taxes subsequently levied by or for the benefit of any
 21 public body entitled to a distribution of property taxes on taxable
 22 property in the allocation area be allocated and distributed as follows:

23 (1) Except as otherwise provided in this section, the proceeds of
 24 the taxes attributable to the lesser of:

25 (A) the assessed value of the property for the assessment date
 26 with respect to which the allocation and distribution is made;

27 or

28 (B) the base assessed value;

29 shall be allocated to and, when collected, paid into the funds of
 30 the respective taxing units.

31 (2) The excess of the proceeds of the property taxes imposed for
 32 the assessment date with respect to which the allocation and
 33 distribution is made that are attributable to taxes imposed after
 34 being approved by the voters in a referendum or local public
 35 question conducted after April 30, 2010, not otherwise included
 36 in subdivision (1) shall be allocated to and, when collected, paid
 37 into the funds of the taxing unit for which the referendum or local
 38 public question was conducted.

39 (3) Except as otherwise provided in this section, property tax
 40 proceeds in excess of those described in subdivisions (1) and (2)
 41 shall be allocated to the redevelopment district and, when

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1 collected, paid into a special fund for that allocation area that may
 2 be used by the redevelopment district only to do one (1) or more
 3 of the following:

4 (A) Pay the principal of and interest on any obligations
 5 payable solely from allocated tax proceeds that are incurred by
 6 the redevelopment district for the purpose of financing or
 7 refinancing the redevelopment of that allocation area.

8 (B) Establish, augment, or restore the debt service reserve for
 9 bonds payable solely or in part from allocated tax proceeds in
 10 that allocation area.

11 (C) Pay the principal of and interest on bonds payable from
 12 allocated tax proceeds in that allocation area and from the
 13 special tax levied under section 50 of this chapter.

14 (D) Pay the principal of and interest on bonds issued by the
 15 excluded city to pay for local public improvements that are
 16 physically located in or physically connected to that allocation
 17 area.

18 (E) Pay premiums on the redemption before maturity of bonds
 19 payable solely or in part from allocated tax proceeds in that
 20 allocation area.

21 (F) Make payments on leases payable from allocated tax
 22 proceeds in that allocation area under section 46 of this
 23 chapter.

24 (G) Reimburse the excluded city for expenditures for local
 25 public improvements (which include buildings, park facilities,
 26 and other items set forth in section 45 of this chapter) that are
 27 physically located in or physically connected to that allocation
 28 area.

29 (H) Reimburse the unit for rentals paid by it for a building or
 30 parking facility that is physically located in or physically
 31 connected to that allocation area under any lease entered into
 32 under IC 36-1-10.

33 (I) Reimburse public and private entities for expenses incurred
 34 in training employees of industrial facilities that are located:

35 (i) in the allocation area; and

36 (ii) on a parcel of real property that has been classified as
 37 industrial property under the rules of the department of local
 38 government finance.

39 However, the total amount of money spent for this purpose in
 40 any year may not exceed the total amount of money in the
 41 allocation fund that is attributable to property taxes paid by the

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1 industrial facilities described in this clause. The
 2 reimbursements under this clause must be made within three
 3 (3) years after the date on which the investments that are the
 4 basis for the increment financing are made.

5 The special fund may not be used for operating expenses of the
 6 commission.

7 (4) Before June 15 of each year, the commission shall do the
 8 following:

9 (A) Determine the amount, if any, by which the assessed value
 10 of the taxable property in the allocation area for the most
 11 recent assessment date minus the base assessed value, when
 12 multiplied by the estimated tax rate of the allocation area, will
 13 exceed the amount of assessed value needed to provide the
 14 property taxes necessary to make, when due, principal and
 15 interest payments on bonds described in subdivision (3) plus
 16 the amount necessary for other purposes described in
 17 subdivision (3) and subsection (g).

18 (B) Provide a written notice to the county auditor, the fiscal
 19 body of the county or municipality that established the
 20 department of redevelopment, the officers who are authorized
 21 to fix budgets, tax rates, and tax levies under IC 6-1.1-17-5 for
 22 each of the other taxing units that is wholly or partly located
 23 within the allocation area, and (in an electronic format) the
 24 department of local government finance. The notice must:

25 (i) state the amount, if any, of excess assessed value that the
 26 commission has determined may be allocated to the
 27 respective taxing units in the manner prescribed in
 28 subdivision (1); or

29 (ii) state that the commission has determined that there is no
 30 excess assessed value that may be allocated to the respective
 31 taxing units in the manner prescribed in subdivision (1).

32 The county auditor shall allocate to the respective taxing units
 33 the amount, if any, of excess assessed value determined by the
 34 commission. The commission may not authorize an allocation
 35 to the respective taxing units under this subdivision if to do so
 36 would endanger the interests of the holders of bonds described
 37 in subdivision (3). **If a commission fails to provide the
 38 notice under this clause, the county auditor shall allocate
 39 five percent (5%) of the assessed value in the allocation
 40 area that is used to calculate the allocation and distribution
 41 of allocated tax proceeds under this section to the
 42 respective taxing units. However, if the commission notifies**

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1 **the county auditor and the department of local government**
 2 **finance, no later than July 15, that it is unable to meet its**
 3 **debt service obligations with regard to the allocation area**
 4 **without all or part of the allocated tax proceeds attributed**
 5 **to the assessed value that has been allocated to the**
 6 **respective taxing units, then the county auditor may not**
 7 **allocate five percent (5%) of the assessed value in the**
 8 **allocation area that is used to calculate the allocation and**
 9 **distribution of allocated tax proceeds under this section to**
 10 **the respective taxing units.**

11 (c) For the purpose of allocating taxes levied by or for any taxing
 12 unit or units, the assessed value of taxable property in a territory in the
 13 allocation area that is annexed by any taxing unit after the effective
 14 date of the allocation provision of the resolution is the lesser of:

- 15 (1) the assessed value of the property for the assessment date with
 16 respect to which the allocation and distribution is made; or
 17 (2) the base assessed value.

18 (d) Property tax proceeds allocable to the redevelopment district
 19 under subsection (b)(3) may, subject to subsection (b)(4), be
 20 irrevocably pledged by the redevelopment district for payment as set
 21 forth in subsection (b)(3).

22 (e) Notwithstanding any other law, each assessor shall, upon
 23 petition of the commission, reassess the taxable property situated upon
 24 or in, or added to, the allocation area, effective on the next assessment
 25 date after the petition.

26 (f) Notwithstanding any other law, the assessed value of all taxable
 27 property in the allocation area, for purposes of tax limitation, property
 28 tax replacement, and formulation of the budget, tax rate, and tax levy
 29 for each political subdivision in which the property is located, is the
 30 lesser of:

- 31 (1) the assessed value of the property as valued without regard to
 32 this section; or
 33 (2) the base assessed value.

34 (g) If any part of the allocation area is located in an enterprise zone
 35 created under IC 5-28-15, the unit that designated the allocation area
 36 shall create funds as specified in this subsection. A unit that has
 37 obligations, bonds, or leases payable from allocated tax proceeds under
 38 subsection (b)(3) shall establish an allocation fund for the purposes
 39 specified in subsection (b)(3) and a special zone fund. Such a unit
 40 shall, until the end of the enterprise zone phase out period, deposit each
 41 year in the special zone fund the amount in the allocation fund derived
 42 from property tax proceeds in excess of those described in subsection

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1 (b)(1) and (b)(2) from property located in the enterprise zone that
 2 exceeds the amount sufficient for the purposes specified in subsection
 3 (b)(3) for the year. A unit that has no obligations, bonds, or leases
 4 payable from allocated tax proceeds under subsection (b)(3) shall
 5 establish a special zone fund and deposit all the property tax proceeds
 6 in excess of those described in subsection (b)(1) and (b)(2) in the fund
 7 derived from property tax proceeds in excess of those described in
 8 subsection (b)(1) and (b)(2) from property located in the enterprise
 9 zone. The unit that creates the special zone fund shall use the fund,
 10 based on the recommendations of the urban enterprise association, for
 11 one (1) or more of the following purposes:

12 (1) To pay for programs in job training, job enrichment, and basic
 13 skill development designed to benefit residents and employers in
 14 the enterprise zone. The programs must reserve at least one-half
 15 (1/2) of the enrollment in any session for residents of the
 16 enterprise zone.

17 (2) To make loans and grants for the purpose of stimulating
 18 business activity in the enterprise zone or providing employment
 19 for enterprise zone residents in an enterprise zone. These loans
 20 and grants may be made to the following:

21 (A) Businesses operating in the enterprise zone.

22 (B) Businesses that will move their operations to the enterprise
 23 zone if such a loan or grant is made.

24 (3) To provide funds to carry out other purposes specified in
 25 subsection (b)(3). However, where reference is made in
 26 subsection (b)(3) to the allocation area, the reference refers, for
 27 purposes of payments from the special zone fund, only to that part
 28 of the allocation area that is also located in the enterprise zone.

29 (h) The state board of accounts and department of local government
 30 finance shall make the rules and prescribe the forms and procedures
 31 that they consider expedient for the implementation of this chapter.
 32 After each reassessment of real property in an area under a county's
 33 reassessment plan prepared under IC 6-1.1-4-4.2, the ~~department of~~
 34 ~~local government finance~~ **county auditor** shall, **on forms prescribed**
 35 **by the department of local government finance**, adjust the base
 36 assessed value one (1) time to neutralize any effect of the reassessment
 37 of the real property in the area on the property tax proceeds allocated
 38 to the redevelopment district under this section. After each annual
 39 adjustment under IC 6-1.1-4-4.5, the ~~department of local government~~
 40 ~~finance~~ **county auditor** shall, **on forms prescribed by the**
 41 **department of local government finance**, adjust the base assessed

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1 value to neutralize any effect of the annual adjustment on the property
 2 tax proceeds allocated to the redevelopment district under this section.
 3 However, the adjustments under this subsection may not include the
 4 effect of property tax abatements under IC 6-1.1-12.1, and these
 5 adjustments may not produce less property tax proceeds allocable to
 6 the redevelopment district under subsection (b)(3) than would
 7 otherwise have been received if the reassessment under the county's
 8 reassessment plan or annual adjustment had not occurred. ~~The~~
 9 ~~department of local government finance may prescribe procedures for~~
 10 ~~county and township officials to follow to assist the department in~~
 11 ~~making the adjustments.~~ **The county auditor shall, in the manner**
 12 **prescribed by the department of local government finance, submit**
 13 **the forms required by this subsection to the department of local**
 14 **government finance no later than July 15 of each year. If the**
 15 **county auditor fails to submit the forms by the deadline under this**
 16 **subsection, the county auditor shall allocate five percent (5%) of**
 17 **the assessed value in the allocation area that is used to calculate the**
 18 **allocation and distribution of allocated tax proceeds under this**
 19 **section to the respective taxing units. However, if the commission**
 20 **notifies the county auditor and the department of local government**
 21 **finance, no later than July 15, that it is unable to meet its debt**
 22 **service obligations with regard to the allocation area without all or**
 23 **part of the allocated tax proceeds attributed to the assessed value**
 24 **that has been allocated to the respective taxing units, then the**
 25 **county auditor may not allocate five percent (5%) of the assessed**
 26 **value in the allocation area that is used to calculate the allocation**
 27 **and distribution of allocated tax proceeds under this section to the**
 28 **respective taxing units.**

29 (i) The allocation deadline referred to in subsection (b) is
 30 determined in the following manner:

- 31 (1) The initial allocation deadline is December 31, 2011.
 32 (2) Subject to subdivision (3), the initial allocation deadline and
 33 subsequent allocation deadlines are automatically extended in
 34 increments of five (5) years, so that allocation deadlines
 35 subsequent to the initial allocation deadline fall on December 31,
 36 2016, and December 31 of each fifth year thereafter.
 37 (3) At least one (1) year before the date of an allocation deadline
 38 determined under subdivision (2), the general assembly may enact
 39 a law that:
 40 (A) terminates the automatic extension of allocation deadlines
 41 under subdivision (2); and
 42 (B) specifically designates a particular date as the final

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1 allocation deadline.

2 (j) If the commission adopts a declaratory resolution or an
3 amendment to a declaratory resolution that contains an allocation
4 provision and the commission makes either of the filings required
5 under section 10(e) of this chapter after the first anniversary of the
6 effective date of the allocation provision, the auditor of the county in
7 which the unit is located shall compute the base assessed value for the
8 allocation area using the assessment date immediately preceding the
9 later of:

10 (1) the date on which the documents are filed with the county
11 auditor; or

12 (2) the date on which the documents are filed with the department
13 of local government finance.

14 (k) For an allocation area established after June 30, 2024,
15 "residential property" refers to the assessed value of property that is
16 allocated to the one percent (1%) homestead land and improvement
17 categories in the county tax and billing software system, along with the
18 residential assessed value as defined for purposes of calculating the
19 rate for the local income tax property tax relief credit designated for
20 residential property under IC 6-3.6-5-6(d)(3) (before its expiration).

21 SECTION 156. IC 36-7-15.1-62, AS AMENDED BY P.L.257-2019,
22 SECTION 131, IS AMENDED TO READ AS FOLLOWS
23 [EFFECTIVE UPON PASSAGE]: Sec. 62. (a) Notwithstanding section
24 26(a) of this chapter, with respect to the allocation and distribution of
25 property taxes for the accomplishment of the purposes of an
26 age-restricted housing program adopted under section 59 of this
27 chapter, "base assessed value" means, subject to section 26(j) of this
28 chapter, the net assessed value of all of the property, other than
29 personal property, as finally determined for the assessment date
30 immediately preceding the effective date of the allocation provision, as
31 adjusted under section 26(h) of this chapter.

32 (b) The allocation fund established under section 26(b) of this
33 chapter for the allocation area for an age-restricted housing program
34 adopted under section 59 of this chapter may be used only for purposes
35 related to the accomplishment of the purposes of the program,
36 including, but not limited to, the following:

37 (1) The construction of any infrastructure (including streets,
38 sidewalks, and sewers) or local public improvements in, serving,
39 or benefiting the allocation area.

40 (2) The acquisition of real property and interests in real property
41 within the allocation area.

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- 1 (3) The preparation of real property in anticipation of
- 2 development of the real property within the allocation area.
- 3 (4) To do any of the following:
- 4 (A) Pay the principal of and interest on bonds or any other
- 5 obligations payable from allocated tax proceeds in the
- 6 allocation area that are incurred by the redevelopment district
- 7 for the purpose of financing or refinancing the age-restricted
- 8 housing program established under section 59 of this chapter
- 9 for the allocation area.
- 10 (B) Establish, augment, or restore the debt service reserve for
- 11 bonds payable solely or in part from allocated tax proceeds in
- 12 the allocation area.
- 13 (C) Pay the principal of and interest on bonds payable from
- 14 allocated tax proceeds in the allocation area and from the
- 15 special tax levied under section 19 of this chapter.
- 16 (D) Pay the principal of and interest on bonds issued by the
- 17 unit to pay for local public improvements that are physically
- 18 located in or physically connected to the allocation area.
- 19 (E) Pay premiums on the redemption before maturity of bonds
- 20 payable solely or in part from allocated tax proceeds in the
- 21 allocation area.
- 22 (F) Make payments on leases payable from allocated tax
- 23 proceeds in the allocation area under section 17.1 of this
- 24 chapter.
- 25 (G) Reimburse the unit for expenditures made by the unit for
- 26 local public improvements (which include buildings, parking
- 27 facilities, and other items described in section 17(a) of this
- 28 chapter) that are physically located in or physically connected
- 29 to the allocation area.
- 30 (c) Notwithstanding section 26(b) of this chapter, the commission
- 31 shall, relative to the allocation fund established under section 26(b) of
- 32 this chapter for an allocation area for an age-restricted housing program
- 33 adopted under section 59 of this chapter, do the following before June
- 34 15 of each year:
- 35 (1) Determine the amount, if any, by which the assessed value of
- 36 the taxable property in the allocation area for the most recent
- 37 assessment date minus the base assessed value, when multiplied
- 38 by the estimated tax rate of the allocation area, will exceed the
- 39 amount of assessed value needed to produce the property taxes
- 40 necessary to:
- 41 (A) make the distribution required under section 26(b)(2) of

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- 1 this chapter;
- 2 (B) make, when due, principal and interest payments on bonds
- 3 described in section 26(b)(3) of this chapter;
- 4 (C) pay the amount necessary for other purposes described in
- 5 section 26(b)(3) of this chapter; and
- 6 (D) reimburse the county or municipality for anticipated
- 7 expenditures described in subsection (b)(2).
- 8 (2) Provide a written notice to the county auditor, the fiscal body
- 9 of the county or municipality that established the department of
- 10 redevelopment, the officers who are authorized to fix budgets, tax
- 11 rates, and tax levies under IC 6-1.1-17-5 for each of the other
- 12 taxing units that is wholly or partly located within the allocation
- 13 area, and (in an electronic format) the department of local
- 14 government finance. The notice must:
- 15 (A) state the amount, if any, of excess property taxes that the
- 16 commission has determined may be paid to the respective
- 17 taxing units in the manner prescribed in section 26(b)(1) of
- 18 this chapter; or
- 19 (B) state that the commission has determined that there is no
- 20 excess assessed value that may be allocated to the respective
- 21 taxing units in the manner prescribed in subdivision (1).
- 22 The county auditor shall allocate to the respective taxing units the
- 23 amount, if any, of excess assessed value determined by the
- 24 commission. **If a commission fails to provide the notice under**
- 25 **subdivision (2), the county auditor shall allocate five percent (5%)**
- 26 **of the assessed value in the allocation area that is used to calculate**
- 27 **the allocation and distribution of allocated tax proceeds under this**
- 28 **section to the respective taxing units. However, if the commission**
- 29 **notifies the county auditor and the department of local government**
- 30 **finance, no later than July 15, that it is unable to meet its debt**
- 31 **service obligations with regard to the allocation area without all or**
- 32 **part of the allocated tax proceeds attributed to the assessed value**
- 33 **that has been allocated to the respective taxing units, then the**
- 34 **county auditor may not allocate five percent (5%) of the assessed**
- 35 **value in the allocation area that is used to calculate the allocation**
- 36 **and distribution of allocated tax proceeds under this section to the**
- 37 **respective taxing units.**
- 38 SECTION 157. IC 36-7-30-25, AS AMENDED BY P.L.174-2022,
- 39 SECTION 74, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 40 UPON PASSAGE]: Sec. 25. (a) The following definitions apply
- 41 throughout this section:
- 42 (1) "Allocation area" means that part of a military base reuse area

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1 to which an allocation provision of a declaratory resolution
 2 adopted under section 10 of this chapter refers for purposes of
 3 distribution and allocation of property taxes.

4 (2) "Base assessed value" means, subject to subsection (i):

5 (A) the net assessed value of all the property as finally
 6 determined for the assessment date immediately preceding the
 7 adoption date of the allocation provision of the declaratory
 8 resolution, as adjusted under subsection (h); plus

9 (B) to the extent that it is not included in clause (A) or (C), the
 10 net assessed value of any and all parcels or classes of parcels
 11 identified as part of the base assessed value in the declaratory
 12 resolution or an amendment thereto, as finally determined for
 13 any subsequent assessment date; plus

14 (C) to the extent that it is not included in clause (A) or (B), the
 15 net assessed value of property that is assessed as residential
 16 property under the rules of the department of local government
 17 finance, within the allocation area, as finally determined for
 18 the current assessment date.

19 Clause (C) applies only to allocation areas established in a
 20 military reuse area after June 30, 1997, and to the part of an
 21 allocation area that was established before June 30, 1997, and that
 22 is added to an existing allocation area after June 30, 1997.

23 (3) "Property taxes" means taxes imposed under IC 6-1.1 on real
 24 property.

25 (b) A declaratory resolution adopted under section 10 of this chapter
 26 before the date set forth in IC 36-7-14-39(b) pertaining to declaratory
 27 resolutions adopted under IC 36-7-14-15 may include a provision with
 28 respect to the allocation and distribution of property taxes for the
 29 purposes and in the manner provided in this section. A declaratory
 30 resolution previously adopted may include an allocation provision by
 31 the amendment of that declaratory resolution in accordance with the
 32 procedures set forth in section 13 of this chapter. The allocation
 33 provision may apply to all or part of the military base reuse area. The
 34 allocation provision must require that any property taxes subsequently
 35 levied by or for the benefit of any public body entitled to a distribution
 36 of property taxes on taxable property in the allocation area be allocated
 37 and distributed as follows:

38 (1) Except as otherwise provided in this section, the proceeds of
 39 the taxes attributable to the lesser of:

40 (A) the assessed value of the property for the assessment date
 41 with respect to which the allocation and distribution is made;

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1 or
2 (B) the base assessed value;
3 shall be allocated to and, when collected, paid into the funds of
4 the respective taxing units.
5 (2) The excess of the proceeds of the property taxes imposed for
6 the assessment date with respect to which the allocation and
7 distribution are made that are attributable to taxes imposed after
8 being approved by the voters in a referendum or local public
9 question conducted after April 30, 2010, not otherwise included
10 in subdivision (1) shall be allocated to and, when collected, paid
11 into the funds of the taxing unit for which the referendum or local
12 public question was conducted.
13 (3) Except as otherwise provided in this section, property tax
14 proceeds in excess of those described in subdivisions (1) and (2)
15 shall be allocated to the military base reuse district and, when
16 collected, paid into an allocation fund for that allocation area that
17 may be used by the military base reuse district and only to do one
18 (1) or more of the following:
19 (A) Pay the principal of and interest and redemption premium
20 on any obligations incurred by the military base reuse district
21 or any other entity for the purpose of financing or refinancing
22 military base reuse activities in or directly serving or
23 benefiting that allocation area.
24 (B) Establish, augment, or restore the debt service reserve for
25 bonds payable solely or in part from allocated tax proceeds in
26 that allocation area or from other revenues of the reuse
27 authority, including lease rental revenues.
28 (C) Make payments on leases payable solely or in part from
29 allocated tax proceeds in that allocation area.
30 (D) Reimburse any other governmental body for expenditures
31 made for local public improvements (or structures) in or
32 directly serving or benefiting that allocation area.
33 (E) Pay expenses incurred by the reuse authority, any other
34 department of the unit, or a department of another
35 governmental entity for local public improvements or
36 structures that are in the allocation area or directly serving or
37 benefiting the allocation area, including expenses for the
38 operation and maintenance of these local public improvements
39 or structures if the reuse authority determines those operation
40 and maintenance expenses are necessary or desirable to carry
41 out the purposes of this chapter.

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1 (F) Reimburse public and private entities for expenses
 2 incurred in training employees of industrial facilities that are
 3 located:
 4 (i) in the allocation area; and
 5 (ii) on a parcel of real property that has been classified as
 6 industrial property under the rules of the department of local
 7 government finance.
 8 However, the total amount of money spent for this purpose in
 9 any year may not exceed the total amount of money in the
 10 allocation fund that is attributable to property taxes paid by the
 11 industrial facilities described in this clause. The
 12 reimbursements under this clause must be made not more than
 13 three (3) years after the date on which the investments that are
 14 the basis for the increment financing are made.
 15 (G) Expend money and provide financial assistance as
 16 authorized in section 9(a)(25) of this chapter.
 17 Except as provided in clause (E), the allocation fund may not be
 18 used for operating expenses of the reuse authority.
 19 (4) Except as provided in subsection (g), before July 15 of each
 20 year the reuse authority shall do the following:
 21 (A) Determine the amount, if any, by which property taxes
 22 payable to the allocation fund in the following year will exceed
 23 the amount of property taxes necessary to make, when due,
 24 principal and interest payments on bonds described in
 25 subdivision (3) plus the amount necessary for other purposes
 26 described in subdivision (3).
 27 (B) Provide a written notice to the county auditor, the fiscal
 28 body of the unit that established the reuse authority, and the
 29 officers who are authorized to fix budgets, tax rates, and tax
 30 levies under IC 6-1.1-17-5 for each of the other taxing units
 31 that is wholly or partly located within the allocation area. The
 32 notice must:
 33 (i) state the amount, if any, of excess property taxes that the
 34 reuse authority has determined may be paid to the respective
 35 taxing units in the manner prescribed in subdivision (1); or
 36 (ii) state that the reuse authority has determined that there
 37 are no excess property tax proceeds that may be allocated to
 38 the respective taxing units in the manner prescribed in
 39 subdivision (1).
 40 The county auditor shall allocate to the respective taxing units
 41 the amount, if any, of excess property tax proceeds determined

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1 by the reuse authority. The reuse authority may not authorize
 2 a payment to the respective taxing units under this subdivision
 3 if to do so would endanger the interest of the holders of bonds
 4 described in subdivision (3) or lessors under section 19 of this
 5 chapter.

6 (c) For the purpose of allocating taxes levied by or for any taxing
 7 unit or units, the assessed value of taxable property in a territory in the
 8 allocation area that is annexed by a taxing unit after the effective date
 9 of the allocation provision of the declaratory resolution is the lesser of:

- 10 (1) the assessed value of the property for the assessment date with
 11 respect to which the allocation and distribution is made; or
 12 (2) the base assessed value.

13 (d) Property tax proceeds allocable to the military base reuse district
 14 under subsection (b)(3) may, subject to subsection (b)(4), be
 15 irrevocably pledged by the military base reuse district for payment as
 16 set forth in subsection (b)(3).

17 (e) Notwithstanding any other law, each assessor shall, upon
 18 petition of the reuse authority, reassess the taxable property situated
 19 upon or in or added to the allocation area, effective on the next
 20 assessment date after the petition.

21 (f) Notwithstanding any other law, the assessed value of all taxable
 22 property in the allocation area, for purposes of tax limitation, property
 23 tax replacement, and the making of the budget, tax rate, and tax levy
 24 for each political subdivision in which the property is located is the
 25 lesser of:

- 26 (1) the assessed value of the property as valued without regard to
 27 this section; or
 28 (2) the base assessed value.

29 (g) If any part of the allocation area is located in an enterprise zone
 30 created under IC 5-28-15, the unit that designated the allocation area
 31 shall create funds as specified in this subsection. A unit that has
 32 obligations, bonds, or leases payable from allocated tax proceeds under
 33 subsection (b)(3) shall establish an allocation fund for the purposes
 34 specified in subsection (b)(3) and a special zone fund. Such a unit
 35 shall, until the end of the enterprise zone phase out period, deposit each
 36 year in the special zone fund any amount in the allocation fund derived
 37 from property tax proceeds in excess of those described in subsection
 38 (b)(1) and (b)(2) from property located in the enterprise zone that
 39 exceeds the amount sufficient for the purposes specified in subsection
 40 (b)(3) for the year. The amount sufficient for purposes specified in
 41 subsection (b)(3) for the year shall be determined based on the pro rata

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1 part of such current property tax proceeds from the part of the
 2 enterprise zone that is within the allocation area as compared to all
 3 such current property tax proceeds derived from the allocation area. A
 4 unit that does not have obligations, bonds, or leases payable from
 5 allocated tax proceeds under subsection (b)(3) shall establish a special
 6 zone fund and deposit all the property tax proceeds in excess of those
 7 described in subsection (b)(1) and (b)(2) that are derived from property
 8 in the enterprise zone in the fund. The unit that creates the special zone
 9 fund shall use the fund (based on the recommendations of the urban
 10 enterprise association) for programs in job training, job enrichment,
 11 and basic skill development that are designed to benefit residents and
 12 employers in the enterprise zone or other purposes specified in
 13 subsection (b)(3), except that where reference is made in subsection
 14 (b)(3) to allocation area it shall refer for purposes of payments from the
 15 special zone fund only to that part of the allocation area that is also
 16 located in the enterprise zone. The programs shall reserve at least
 17 one-half (1/2) of their enrollment in any session for residents of the
 18 enterprise zone.

19 (h) After each reassessment of real property in an area under the
 20 county's reassessment plan under IC 6-1.1-4-4.2, the ~~department of~~
 21 ~~local government finance~~ **county auditor** shall, **on forms prescribed**
 22 **by the department of local government finance**, adjust the base
 23 assessed value one (1) time to neutralize any effect of the reassessment
 24 of the real property in the area on the property tax proceeds allocated
 25 to the military base reuse district under this section. After each annual
 26 adjustment under IC 6-1.1-4-4.5, the ~~department of local government~~
 27 ~~finance~~ **county auditor** shall, **on forms prescribed by the**
 28 **department of local government finance**, adjust the base assessed
 29 value to neutralize any effect of the annual adjustment on the property
 30 tax proceeds allocated to the military base reuse district under this
 31 section. However, the adjustments under this subsection may not
 32 include the effect of property tax abatements under IC 6-1.1-12.1, and
 33 these adjustments may not produce less property tax proceeds allocable
 34 to the military base reuse district under subsection (b)(3) than would
 35 otherwise have been received if the reassessment under the county's
 36 reassessment plan or annual adjustment had not occurred. ~~The~~
 37 ~~department of local government finance~~ may prescribe procedures for
 38 county and township officials to follow to assist the department in
 39 ~~making the adjustments.~~ **The county auditor shall, in the manner**
 40 **prescribed by the department of local government finance, submit**
 41 **the forms required by this subsection to the department of local**

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1 **government finance no later than July 15 of each year. If the**
 2 **county auditor fails to submit the forms by the deadline under this**
 3 **subsection, the county auditor shall allocate five percent (5%) of**
 4 **the assessed value in the allocation area that is used to calculate the**
 5 **allocation and distribution of allocated tax proceeds under this**
 6 **section to the respective taxing units. However, if the reuse**
 7 **authority notifies the county auditor and the department of local**
 8 **government finance, no later than July 15, that it is unable to meet**
 9 **its debt service obligations with regard to the allocation area**
 10 **without all or part of the allocated tax proceeds attributed to the**
 11 **assessed value that has been allocated to the respective taxing**
 12 **units, then the county auditor may not allocate five percent (5%)**
 13 **of the assessed value in the allocation area that is used to calculate**
 14 **the allocation and distribution of allocated tax proceeds under this**
 15 **section to the respective taxing units.**

16 (i) If the reuse authority adopts a declaratory resolution or an
 17 amendment to a declaratory resolution that contains an allocation
 18 provision and the reuse authority makes either of the filings required
 19 under section 12(c) or 13(f) of this chapter after the first anniversary of
 20 the effective date of the allocation provision, the auditor of the county
 21 in which the military base reuse district is located shall compute the
 22 base assessed value for the allocation area using the assessment date
 23 immediately preceding the later of:

24 (1) the date on which the documents are filed with the county
 25 auditor; or

26 (2) the date on which the documents are filed with the department
 27 of local government finance.

28 (j) For an allocation area established after June 30, 2024,
 29 "residential property" refers to the assessed value of property that is
 30 allocated to the one percent (1%) homestead land and improvement
 31 categories in the county tax and billing software system, along with the
 32 residential assessed value as defined for purposes of calculating the
 33 rate for the local income tax property tax relief credit designated for
 34 residential property under IC 6-3.6-5-6(d)(3).

35 SECTION 158. IC 36-7-30-25, AS AMENDED BY P.L.68-2025,
 36 SECTION 237, IS AMENDED TO READ AS FOLLOWS
 37 [EFFECTIVE JULY 1, 2028]: Sec. 25. (a) The following definitions
 38 apply throughout this section:

39 (1) "Allocation area" means that part of a military base reuse area
 40 to which an allocation provision of a declaratory resolution
 41 adopted under section 10 of this chapter refers for purposes of
 42 distribution and allocation of property taxes.

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- 1 (2) "Base assessed value" means, subject to subsection (i):
 2 (A) the net assessed value of all the property as finally
 3 determined for the assessment date immediately preceding the
 4 adoption date of the allocation provision of the declaratory
 5 resolution, as adjusted under subsection (h); plus
 6 (B) to the extent that it is not included in clause (A) or (C), the
 7 net assessed value of any and all parcels or classes of parcels
 8 identified as part of the base assessed value in the declaratory
 9 resolution or an amendment thereto, as finally determined for
 10 any subsequent assessment date; plus
 11 (C) to the extent that it is not included in clause (A) or (B), the
 12 net assessed value of property that is assessed as residential
 13 property under the rules of the department of local government
 14 finance, within the allocation area, as finally determined for
 15 the current assessment date.
 16 Clause (C) applies only to allocation areas established in a
 17 military reuse area after June 30, 1997, and to the part of an
 18 allocation area that was established before June 30, 1997, and that
 19 is added to an existing allocation area after June 30, 1997.
 20 (3) "Property taxes" means taxes imposed under IC 6-1.1 on real
 21 property.
 22 (b) A declaratory resolution adopted under section 10 of this chapter
 23 before the date set forth in IC 36-7-14-39(b) pertaining to declaratory
 24 resolutions adopted under IC 36-7-14-15 may include a provision with
 25 respect to the allocation and distribution of property taxes for the
 26 purposes and in the manner provided in this section. A declaratory
 27 resolution previously adopted may include an allocation provision by
 28 the amendment of that declaratory resolution in accordance with the
 29 procedures set forth in section 13 of this chapter. The allocation
 30 provision may apply to all or part of the military base reuse area. The
 31 allocation provision must require that any property taxes subsequently
 32 levied by or for the benefit of any public body entitled to a distribution
 33 of property taxes on taxable property in the allocation area be allocated
 34 and distributed as follows:
 35 (1) Except as otherwise provided in this section, the proceeds of
 36 the taxes attributable to the lesser of:
 37 (A) the assessed value of the property for the assessment date
 38 with respect to which the allocation and distribution is made;
 39 or
 40 (B) the base assessed value;
 41 shall be allocated to and, when collected, paid into the funds of

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1 the respective taxing units.
 2 (2) The excess of the proceeds of the property taxes imposed for
 3 the assessment date with respect to which the allocation and
 4 distribution are made that are attributable to taxes imposed after
 5 being approved by the voters in a referendum or local public
 6 question conducted after April 30, 2010, not otherwise included
 7 in subdivision (1) shall be allocated to and, when collected, paid
 8 into the funds of the taxing unit for which the referendum or local
 9 public question was conducted.
 10 (3) Except as otherwise provided in this section, property tax
 11 proceeds in excess of those described in subdivisions (1) and (2)
 12 shall be allocated to the military base reuse district and, when
 13 collected, paid into an allocation fund for that allocation area that
 14 may be used by the military base reuse district and only to do one
 15 (1) or more of the following:
 16 (A) Pay the principal of and interest and redemption premium
 17 on any obligations incurred by the military base reuse district
 18 or any other entity for the purpose of financing or refinancing
 19 military base reuse activities in or directly serving or
 20 benefiting that allocation area.
 21 (B) Establish, augment, or restore the debt service reserve for
 22 bonds payable solely or in part from allocated tax proceeds in
 23 that allocation area or from other revenues of the reuse
 24 authority, including lease rental revenues.
 25 (C) Make payments on leases payable solely or in part from
 26 allocated tax proceeds in that allocation area.
 27 (D) Reimburse any other governmental body for expenditures
 28 made for local public improvements (or structures) in or
 29 directly serving or benefiting that allocation area.
 30 (E) Pay expenses incurred by the reuse authority, any other
 31 department of the unit, or a department of another
 32 governmental entity for local public improvements or
 33 structures that are in the allocation area or directly serving or
 34 benefiting the allocation area, including expenses for the
 35 operation and maintenance of these local public improvements
 36 or structures if the reuse authority determines those operation
 37 and maintenance expenses are necessary or desirable to carry
 38 out the purposes of this chapter.
 39 (F) Reimburse public and private entities for expenses
 40 incurred in training employees of industrial facilities that are
 41 located:

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- 1 (i) in the allocation area; and
- 2 (ii) on a parcel of real property that has been classified as
- 3 industrial property under the rules of the department of local
- 4 government finance.

5 However, the total amount of money spent for this purpose in
 6 any year may not exceed the total amount of money in the
 7 allocation fund that is attributable to property taxes paid by the
 8 industrial facilities described in this clause. The
 9 reimbursements under this clause must be made not more than
 10 three (3) years after the date on which the investments that are
 11 the basis for the increment financing are made.

12 (G) Expend money and provide financial assistance as
 13 authorized in section 9(a)(25) of this chapter.

14 Except as provided in clause (E), the allocation fund may not be
 15 used for operating expenses of the reuse authority.

16 (4) Except as provided in subsection (g), before July 15 of each
 17 year the reuse authority shall do the following:

18 (A) Determine the amount, if any, by which property taxes
 19 payable to the allocation fund in the following year will exceed
 20 the amount of property taxes necessary to make, when due,
 21 principal and interest payments on bonds described in
 22 subdivision (3) plus the amount necessary for other purposes
 23 described in subdivision (3).

24 (B) Provide a written notice to the county auditor, the fiscal
 25 body of the unit that established the reuse authority, and the
 26 officers who are authorized to fix budgets, tax rates, and tax
 27 levies under IC 6-1.1-17-5 for each of the other taxing units
 28 that is wholly or partly located within the allocation area. The
 29 notice must:

- 30 (i) state the amount, if any, of excess property taxes that the
- 31 reuse authority has determined may be paid to the respective
- 32 taxing units in the manner prescribed in subdivision (1); or
- 33 (ii) state that the reuse authority has determined that there
- 34 are no excess property tax proceeds that may be allocated to
- 35 the respective taxing units in the manner prescribed in
- 36 subdivision (1).

37 The county auditor shall allocate to the respective taxing units
 38 the amount, if any, of excess property tax proceeds determined
 39 by the reuse authority. The reuse authority may not authorize
 40 a payment to the respective taxing units under this subdivision
 41 if to do so would endanger the interest of the holders of bonds

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1 described in subdivision (3) or lessors under section 19 of this
2 chapter.

3 (c) For the purpose of allocating taxes levied by or for any taxing
4 unit or units, the assessed value of taxable property in a territory in the
5 allocation area that is annexed by a taxing unit after the effective date
6 of the allocation provision of the declaratory resolution is the lesser of:

- 7 (1) the assessed value of the property for the assessment date with
8 respect to which the allocation and distribution is made; or
9 (2) the base assessed value.

10 (d) Property tax proceeds allocable to the military base reuse district
11 under subsection (b)(3) may, subject to subsection (b)(4), be
12 irrevocably pledged by the military base reuse district for payment as
13 set forth in subsection (b)(3).

14 (e) Notwithstanding any other law, each assessor shall, upon
15 petition of the reuse authority, reassess the taxable property situated
16 upon or in or added to the allocation area, effective on the next
17 assessment date after the petition.

18 (f) Notwithstanding any other law, the assessed value of all taxable
19 property in the allocation area, for purposes of tax limitation, property
20 tax replacement, and the making of the budget, tax rate, and tax levy
21 for each political subdivision in which the property is located is the
22 lesser of:

- 23 (1) the assessed value of the property as valued without regard to
24 this section; or
25 (2) the base assessed value.

26 (g) If any part of the allocation area is located in an enterprise zone
27 created under IC 5-28-15, the unit that designated the allocation area
28 shall create funds as specified in this subsection. A unit that has
29 obligations, bonds, or leases payable from allocated tax proceeds under
30 subsection (b)(3) shall establish an allocation fund for the purposes
31 specified in subsection (b)(3) and a special zone fund. Such a unit
32 shall, until the end of the enterprise zone phase out period, deposit each
33 year in the special zone fund any amount in the allocation fund derived
34 from property tax proceeds in excess of those described in subsection
35 (b)(1) and (b)(2) from property located in the enterprise zone that
36 exceeds the amount sufficient for the purposes specified in subsection
37 (b)(3) for the year. The amount sufficient for purposes specified in
38 subsection (b)(3) for the year shall be determined based on the pro rata
39 part of such current property tax proceeds from the part of the
40 enterprise zone that is within the allocation area as compared to all
41 such current property tax proceeds derived from the allocation area. A

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1 unit that does not have obligations, bonds, or leases payable from
 2 allocated tax proceeds under subsection (b)(3) shall establish a special
 3 zone fund and deposit all the property tax proceeds in excess of those
 4 described in subsection (b)(1) and (b)(2) that are derived from property
 5 in the enterprise zone in the fund. The unit that creates the special zone
 6 fund shall use the fund (based on the recommendations of the urban
 7 enterprise association) for programs in job training, job enrichment,
 8 and basic skill development that are designed to benefit residents and
 9 employers in the enterprise zone or other purposes specified in
 10 subsection (b)(3), except that where reference is made in subsection
 11 (b)(3) to allocation area it shall refer for purposes of payments from the
 12 special zone fund only to that part of the allocation area that is also
 13 located in the enterprise zone. The programs shall reserve at least
 14 one-half (1/2) of their enrollment in any session for residents of the
 15 enterprise zone.

16 (h) After each reassessment of real property in an area under the
 17 county's reassessment plan under IC 6-1.1-4-4.2, the ~~department of~~
 18 ~~local government finance~~ **county auditor** shall, **on forms prescribed**
 19 **by the department of local government finance**, adjust the base
 20 assessed value one (1) time to neutralize any effect of the reassessment
 21 of the real property in the area on the property tax proceeds allocated
 22 to the military base reuse district under this section. After each annual
 23 adjustment under IC 6-1.1-4-4.5, the ~~department of local government~~
 24 ~~finance~~ **county auditor** shall, **on forms prescribed by the**
 25 **department of local government finance**, adjust the base assessed
 26 value to neutralize any effect of the annual adjustment on the property
 27 tax proceeds allocated to the military base reuse district under this
 28 section. However, the adjustments under this subsection may not
 29 include the effect of property tax abatements under IC 6-1.1-12.1, and
 30 these adjustments may not produce less property tax proceeds allocable
 31 to the military base reuse district under subsection (b)(3) than would
 32 otherwise have been received if the reassessment under the county's
 33 reassessment plan or annual adjustment had not occurred. ~~The~~
 34 ~~department of local government finance~~ may prescribe procedures for
 35 county and township officials to follow to assist the department in
 36 making the adjustments. ~~The county auditor shall, in the manner~~
 37 **prescribed by the department of local government finance, submit**
 38 **the forms required by this subsection to the department of local**
 39 **government finance no later than July 15 of each year. If the**
 40 **county auditor fails to submit the forms by the deadline under this**
 41 **subsection, the county auditor shall allocate five percent (5%) of**

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1 **the assessed value in the allocation area that is used to calculate the**
 2 **allocation and distribution of allocated tax proceeds under this**
 3 **section to the respective taxing units. However, if the reuse**
 4 **authority notifies the county auditor and the department of local**
 5 **government finance, no later than July 15, that it is unable to meet**
 6 **its debt service obligations with regard to the allocation area**
 7 **without all or part of the allocated tax proceeds attributed to the**
 8 **assessed value that has been allocated to the respective taxing**
 9 **units, then the county auditor may not allocate five percent (5%)**
 10 **of the assessed value in the allocation area that is used to calculate**
 11 **the allocation and distribution of allocated tax proceeds under this**
 12 **section to the respective taxing units.**

13 (i) If the reuse authority adopts a declaratory resolution or an
 14 amendment to a declaratory resolution that contains an allocation
 15 provision and the reuse authority makes either of the filings required
 16 under section 12(c) or 13(f) of this chapter after the first anniversary of
 17 the effective date of the allocation provision, the auditor of the county
 18 in which the military base reuse district is located shall compute the
 19 base assessed value for the allocation area using the assessment date
 20 immediately preceding the later of:

- 21 (1) the date on which the documents are filed with the county
 22 auditor; or
 23 (2) the date on which the documents are filed with the department
 24 of local government finance.

25 (j) For an allocation area established after June 30, 2024,
 26 "residential property" refers to the assessed value of property that is
 27 allocated to the one percent (1%) homestead land and improvement
 28 categories in the county tax and billing software system, along with the
 29 residential assessed value as defined for purposes of calculating the
 30 rate for the local income tax property tax relief credit designated for
 31 residential property under IC 6-3.6-5-6(d)(3) (before its expiration).

32 SECTION 159. IC 36-7-30.5-30, AS AMENDED BY P.L. 174-2022,
 33 SECTION 75, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 34 UPON PASSAGE]: Sec. 30. (a) The following definitions apply
 35 throughout this section:

- 36 (1) "Allocation area" means that part of a military base
 37 development area to which an allocation provision of a
 38 declaratory resolution adopted under section 16 of this chapter
 39 refers for purposes of distribution and allocation of property taxes.
 40 (2) "Base assessed value" means, subject to subsection (i):
 41 (A) the net assessed value of all the property as finally
 42 determined for the assessment date immediately preceding the

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1 adoption date of the allocation provision of the declaratory
 2 resolution, as adjusted under subsection (h); plus
 3 (B) to the extent that it is not included in clause (A) or (C), the
 4 net assessed value of any and all parcels or classes of parcels
 5 identified as part of the base assessed value in the declaratory
 6 resolution or an amendment to the declaratory resolution, as
 7 finally determined for any subsequent assessment date; plus
 8 (C) to the extent that it is not included in clause (A) or (B), the
 9 net assessed value of property that is assessed as residential
 10 property under the rules of the department of local government
 11 finance, within the allocation area, as finally determined for
 12 the current assessment date.

13 (3) "Property taxes" means taxes imposed under IC 6-1.1 on real
 14 property.

15 (b) A declaratory resolution adopted under section 16 of this chapter
 16 before the date set forth in IC 36-7-14-39(b) pertaining to declaratory
 17 resolutions adopted under IC 36-7-14-15 may include a provision with
 18 respect to the allocation and distribution of property taxes for the
 19 purposes and in the manner provided in this section. A declaratory
 20 resolution previously adopted may include an allocation provision by
 21 the amendment of that declaratory resolution in accordance with the
 22 procedures set forth in section 18 of this chapter. The allocation
 23 provision may apply to all or part of the military base development
 24 area. The allocation provision must require that any property taxes
 25 subsequently levied by or for the benefit of any public body entitled to
 26 a distribution of property taxes on taxable property in the allocation
 27 area be allocated and distributed as follows:

28 (1) Except as otherwise provided in this section, the proceeds of
 29 the taxes attributable to the lesser of:

30 (A) the assessed value of the property for the assessment date
 31 with respect to which the allocation and distribution is made;
 32 or

33 (B) the base assessed value;
 34 shall be allocated to and, when collected, paid into the funds of
 35 the respective taxing units.

36 (2) The excess of the proceeds of the property taxes imposed for
 37 the assessment date with respect to which the allocation and
 38 distribution is made that are attributable to taxes imposed after
 39 being approved by the voters in a referendum or local public
 40 question conducted after April 30, 2010, not otherwise included
 41 in subdivision (1) shall be allocated to and, when collected, paid

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1 into the funds of the taxing unit for which the referendum or local
2 public question was conducted.

3 (3) Except as otherwise provided in this section, property tax
4 proceeds in excess of those described in subdivisions (1) and (2)
5 shall be allocated to the development authority and, when
6 collected, paid into an allocation fund for that allocation area that
7 may be used by the development authority and only to do one (1)
8 or more of the following:

9 (A) Pay the principal of and interest and redemption premium
10 on any obligations incurred by the development authority or
11 any other entity for the purpose of financing or refinancing
12 military base development or reuse activities in or directly
13 serving or benefiting that allocation area.

14 (B) Establish, augment, or restore the debt service reserve for
15 bonds payable solely or in part from allocated tax proceeds in
16 that allocation area or from other revenues of the development
17 authority, including lease rental revenues.

18 (C) Make payments on leases payable solely or in part from
19 allocated tax proceeds in that allocation area.

20 (D) Reimburse any other governmental body for expenditures
21 made for local public improvements (or structures) in or
22 directly serving or benefiting that allocation area.

23 (E) For property taxes first due and payable before 2009, pay
24 all or a part of a property tax replacement credit to taxpayers
25 in an allocation area as determined by the development
26 authority. This credit equals the amount determined under the
27 following STEPS for each taxpayer in a taxing district (as
28 defined in IC 6-1.1-1-20) that contains all or part of the
29 allocation area:

30 STEP ONE: Determine that part of the sum of the amounts
31 under IC 6-1.1-21-2(g)(1)(A), IC 6-1.1-21-2(g)(2),
32 IC 6-1.1-21-2(g)(3), IC 6-1.1-21-2(g)(4), and
33 IC 6-1.1-21-2(g)(5) (before their repeal) that is attributable to
34 the taxing district.

35 STEP TWO: Divide:

36 (i) that part of each county's eligible property tax
37 replacement amount (as defined in IC 6-1.1-21-2 (before its
38 repeal)) for that year as determined under IC 6-1.1-21-4
39 (before its repeal) that is attributable to the taxing district;
40 by

41 (ii) the STEP ONE sum.

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STEP THREE: Multiply:
(i) the STEP TWO quotient; by
(ii) the total amount of the taxpayer's taxes (as defined in IC 6-1.1-21-2 (before its repeal)) levied in the taxing district that have been allocated during that year to an allocation fund under this section.

If not all the taxpayers in an allocation area receive the credit in full, each taxpayer in the allocation area is entitled to receive the same proportion of the credit. A taxpayer may not receive a credit under this section and a credit under section 32 of this chapter (before its repeal) in the same year.

(F) Pay expenses incurred by the development authority for local public improvements or structures that were in the allocation area or directly serving or benefiting the allocation area.

(G) Reimburse public and private entities for expenses incurred in training employees of industrial facilities that are located:

- (i) in the allocation area; and
- (ii) on a parcel of real property that has been classified as industrial property under the rules of the department of local government finance.

However, the total amount of money spent for this purpose in any year may not exceed the total amount of money in the allocation fund that is attributable to property taxes paid by the industrial facilities described in this clause. The reimbursements under this clause must be made not more than three (3) years after the date on which the investments that are the basis for the increment financing are made.

(H) Expend money and provide financial assistance as authorized in section 15(26) of this chapter.

The allocation fund may not be used for operating expenses of the development authority.

(4) Except as provided in subsection (g), before July 15 of each year the development authority shall do the following:

(A) Determine the amount, if any, by which property taxes payable to the allocation fund in the following year will exceed the amount of property taxes necessary to make, when due, principal and interest payments on bonds described in subdivision (3) plus the amount necessary for other purposes described in subdivisions (2) and (3).

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1 (B) Provide a written notice to the appropriate county auditors
 2 and the fiscal bodies and other officers who are authorized to
 3 fix budgets, tax rates, and tax levies under IC 6-1.1-17-5 for
 4 each of the other taxing units that is wholly or partly located
 5 within the allocation area. The notice must:

6 (i) state the amount, if any, of the excess property taxes that
 7 the development authority has determined may be paid to
 8 the respective taxing units in the manner prescribed in
 9 subdivision (1); or

10 (ii) state that the development authority has determined that
 11 there is no excess assessed value that may be allocated to the
 12 respective taxing units in the manner prescribed in
 13 subdivision (1).

14 The county auditors shall allocate to the respective taxing units
 15 the amount, if any, of excess assessed value determined by the
 16 development authority. The development authority may not
 17 authorize a payment to the respective taxing units under this
 18 subdivision if to do so would endanger the interest of the
 19 holders of bonds described in subdivision (3) or lessors under
 20 section 24 of this chapter. Property taxes received by a taxing
 21 unit under this subdivision before 2009 are eligible for the
 22 property tax replacement credit provided under IC 6-1.1-21
 23 (before its repeal).

24 (c) For the purpose of allocating taxes levied by or for any taxing
 25 unit or units, the assessed value of taxable property in a territory in the
 26 allocation area that is annexed by a taxing unit after the effective date
 27 of the allocation provision of the declaratory resolution is the lesser of:

- 28 (1) the assessed value of the property for the assessment date with
 29 respect to which the allocation and distribution is made; or
 30 (2) the base assessed value.

31 (d) Property tax proceeds allocable to the military base development
 32 district under subsection (b)(3) may, subject to subsection (b)(4), be
 33 irrevocably pledged by the military base development district for
 34 payment as set forth in subsection (b)(3).

35 (e) Notwithstanding any other law, each assessor shall, upon
 36 petition of the development authority, reassess the taxable property
 37 situated upon or in or added to the allocation area, effective on the next
 38 assessment date after the petition.

39 (f) Notwithstanding any other law, the assessed value of all taxable
 40 property in the allocation area, for purposes of tax limitation, property
 41 tax replacement, and the making of the budget, tax rate, and tax levy

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1 for each political subdivision in which the property is located is the
2 lesser of:

3 (1) the assessed value of the property as valued without regard to
4 this section; or

5 (2) the base assessed value.

6 (g) If any part of the allocation area is located in an enterprise zone
7 created under IC 5-28-15, the development authority shall create funds
8 as specified in this subsection. A development authority that has
9 obligations, bonds, or leases payable from allocated tax proceeds under
10 subsection (b)(3) shall establish an allocation fund for the purposes
11 specified in subsection (b)(3) and a special zone fund. The
12 development authority shall, until the end of the enterprise zone phase
13 out period, deposit each year in the special zone fund any amount in the
14 allocation fund derived from property tax proceeds in excess of those
15 described in subsection (b)(1) and (b)(2) from property located in the
16 enterprise zone that exceeds the amount sufficient for the purposes
17 specified in subsection (b)(3) for the year. The amount sufficient for
18 purposes specified in subsection (b)(3) for the year shall be determined
19 based on the pro rata part of such current property tax proceeds from
20 the part of the enterprise zone that is within the allocation area as
21 compared to all such current property tax proceeds derived from the
22 allocation area. A development authority that does not have
23 obligations, bonds, or leases payable from allocated tax proceeds under
24 subsection (b)(3) shall establish a special zone fund and deposit all the
25 property tax proceeds in excess of those described in subsection (b)(1)
26 and (b)(2) that are derived from property in the enterprise zone in the
27 fund. The development authority that creates the special zone fund
28 shall use the fund (based on the recommendations of the urban
29 enterprise association) for programs in job training, job enrichment,
30 and basic skill development that are designed to benefit residents and
31 employers in the enterprise zone or for other purposes specified in
32 subsection (b)(3), except that where reference is made in subsection
33 (b)(3) to an allocation area it shall refer for purposes of payments from
34 the special zone fund only to that part of the allocation area that is also
35 located in the enterprise zone. The programs shall reserve at least
36 one-half (1/2) of their enrollment in any session for residents of the
37 enterprise zone.

38 (h) After each reassessment of real property in an area under a
39 reassessment plan prepared under IC 6-1.1-4-4.2, the ~~department of~~
40 ~~local government finance~~ **county auditor** shall, **on forms prescribed**
41 **by the department of local government finance**, adjust the base

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1 assessed value one (1) time to neutralize any effect of the reassessment
 2 of the real property in the area on the property tax proceeds allocated
 3 to the military base development district under this section. After each
 4 annual adjustment under IC 6-1.1-4-4.5, the ~~department of local~~
 5 ~~government finance county auditor~~ shall, **on forms prescribed by the**
 6 **department of local government finance**, adjust the base assessed
 7 value to neutralize any effect of the annual adjustment on the property
 8 tax proceeds allocated to the military base development district under
 9 this section. However, the adjustments under this subsection may not
 10 include the effect of property tax abatements under IC 6-1.1-12.1, and
 11 these adjustments may not produce less property tax proceeds allocable
 12 to the military base development district under subsection (b)(3) than
 13 would otherwise have been received if the reassessment under the
 14 county's reassessment plan or annual adjustment had not occurred. ~~The~~
 15 ~~department of local government finance may prescribe procedures for~~
 16 ~~county and township officials to follow to assist the department in~~
 17 ~~making the adjustments.~~ **The county auditor shall, in the manner**
 18 **prescribed by the department of local government finance, submit**
 19 **the forms required by this subsection to the department of local**
 20 **government finance no later than July 15 of each year. If the**
 21 **county auditor fails to submit the forms by the deadline under this**
 22 **subsection, the county auditor shall allocate five percent (5%) of**
 23 **the assessed value in the allocation area that is used to calculate the**
 24 **allocation and distribution of allocated tax proceeds under this**
 25 **section to the respective taxing units. However, if the development**
 26 **authority notifies the county auditor and the department of local**
 27 **government finance, no later than July 15, that it is unable to meet**
 28 **its debt service obligations with regard to the allocation area**
 29 **without all or part of the allocated tax proceeds attributed to the**
 30 **assessed value that has been allocated to the respective taxing**
 31 **units, then the county auditor may not allocate five percent (5%)**
 32 **of the assessed value in the allocation area that is used to calculate**
 33 **the allocation and distribution of allocated tax proceeds under this**
 34 **section to the respective taxing units.**

35 (i) If the development authority adopts a declaratory resolution or
 36 an amendment to a declaratory resolution that contains an allocation
 37 provision and the development authority makes either of the filings
 38 required under section 17(e) or 18(f) of this chapter after the first
 39 anniversary of the effective date of the allocation provision, the auditor
 40 of the county in which the military base development district is located
 41 shall compute the base assessed value for the allocation area using the
 42 assessment date immediately preceding the later of:

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- 1 (1) the date on which the documents are filed with the county
- 2 auditor; or
- 3 (2) the date on which the documents are filed with the department
- 4 of local government finance.

5 (j) For an allocation area established after June 30, 2024,
 6 "residential property" refers to the assessed value of property that is
 7 allocated to the one percent (1%) homestead land and improvement
 8 categories in the county tax and billing software system, along with the
 9 residential assessed value as defined for purposes of calculating the
 10 rate for the local income tax property tax relief credit designated for
 11 residential property under IC 6-3.6-5-6(d)(3).

12 SECTION 160. IC 36-7-30.5-30, AS AMENDED BY P.L.68-2025,
 13 SECTION 238, IS AMENDED TO READ AS FOLLOWS
 14 [EFFECTIVE UPON PASSAGE]: Sec. 30. (a) The following
 15 definitions apply throughout this section:

16 (1) "Allocation area" means that part of a military base
 17 development area to which an allocation provision of a
 18 declaratory resolution adopted under section 16 of this chapter
 19 refers for purposes of distribution and allocation of property taxes.

20 (2) "Base assessed value" means, subject to subsection (i):
 21 (A) the net assessed value of all the property as finally
 22 determined for the assessment date immediately preceding the
 23 adoption date of the allocation provision of the declaratory
 24 resolution, as adjusted under subsection (h); plus
 25 (B) to the extent that it is not included in clause (A) or (C), the
 26 net assessed value of any and all parcels or classes of parcels
 27 identified as part of the base assessed value in the declaratory
 28 resolution or an amendment to the declaratory resolution, as
 29 finally determined for any subsequent assessment date; plus
 30 (C) to the extent that it is not included in clause (A) or (B), the
 31 net assessed value of property that is assessed as residential
 32 property under the rules of the department of local government
 33 finance, within the allocation area, as finally determined for
 34 the current assessment date.

35 (3) "Property taxes" means taxes imposed under IC 6-1.1 on real
 36 property.

37 (b) A declaratory resolution adopted under section 16 of this chapter
 38 before the date set forth in IC 36-7-14-39(b) pertaining to declaratory
 39 resolutions adopted under IC 36-7-14-15 may include a provision with
 40 respect to the allocation and distribution of property taxes for the
 41 purposes and in the manner provided in this section. A declaratory

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1 resolution previously adopted may include an allocation provision by
 2 the amendment of that declaratory resolution in accordance with the
 3 procedures set forth in section 18 of this chapter. The allocation
 4 provision may apply to all or part of the military base development
 5 area. The allocation provision must require that any property taxes
 6 subsequently levied by or for the benefit of any public body entitled to
 7 a distribution of property taxes on taxable property in the allocation
 8 area be allocated and distributed as follows:

9 (1) Except as otherwise provided in this section, the proceeds of
 10 the taxes attributable to the lesser of:

11 (A) the assessed value of the property for the assessment date
 12 with respect to which the allocation and distribution is made;

13 or

14 (B) the base assessed value;

15 shall be allocated to and, when collected, paid into the funds of
 16 the respective taxing units.

17 (2) The excess of the proceeds of the property taxes imposed for
 18 the assessment date with respect to which the allocation and
 19 distribution is made that are attributable to taxes imposed after
 20 being approved by the voters in a referendum or local public
 21 question conducted after April 30, 2010, not otherwise included
 22 in subdivision (1) shall be allocated to and, when collected, paid
 23 into the funds of the taxing unit for which the referendum or local
 24 public question was conducted.

25 (3) Except as otherwise provided in this section, property tax
 26 proceeds in excess of those described in subdivisions (1) and (2)
 27 shall be allocated to the development authority and, when
 28 collected, paid into an allocation fund for that allocation area that
 29 may be used by the development authority and only to do one (1)
 30 or more of the following:

31 (A) Pay the principal of and interest and redemption premium
 32 on any obligations incurred by the development authority or
 33 any other entity for the purpose of financing or refinancing
 34 military base development or reuse activities in or directly
 35 serving or benefiting that allocation area.

36 (B) Establish, augment, or restore the debt service reserve for
 37 bonds payable solely or in part from allocated tax proceeds in
 38 that allocation area or from other revenues of the development
 39 authority, including lease rental revenues.

40 (C) Make payments on leases payable solely or in part from
 41 allocated tax proceeds in that allocation area.

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- 1 (D) Reimburse any other governmental body for expenditures
 2 made for local public improvements (or structures) in or
 3 directly serving or benefiting that allocation area.
- 4 (E) For property taxes first due and payable before 2009, pay
 5 all or a part of a property tax replacement credit to taxpayers
 6 in an allocation area as determined by the development
 7 authority. This credit equals the amount determined under the
 8 following STEPS for each taxpayer in a taxing district (as
 9 defined in IC 6-1.1-1-20) that contains all or part of the
 10 allocation area:
- 11 STEP ONE: Determine that part of the sum of the amounts
 12 under IC 6-1.1-21-2(g)(1)(A), IC 6-1.1-21-2(g)(2),
 13 IC 6-1.1-21-2(g)(3), IC 6-1.1-21-2(g)(4), and
 14 IC 6-1.1-21-2(g)(5) (before their repeal) that is attributable to
 15 the taxing district.
- 16 STEP TWO: Divide:
- 17 (i) that part of each county's eligible property tax
 18 replacement amount (as defined in IC 6-1.1-21-2 (before its
 19 repeal)) for that year as determined under IC 6-1.1-21-4
 20 (before its repeal) that is attributable to the taxing district;
 21 by
- 22 (ii) the STEP ONE sum.
- 23 STEP THREE: Multiply:
- 24 (i) the STEP TWO quotient; by
- 25 (ii) the total amount of the taxpayer's taxes (as defined in
 26 IC 6-1.1-21-2 (before its repeal)) levied in the taxing district
 27 that have been allocated during that year to an allocation
 28 fund under this section.
- 29 If not all the taxpayers in an allocation area receive the credit
 30 in full, each taxpayer in the allocation area is entitled to
 31 receive the same proportion of the credit. A taxpayer may not
 32 receive a credit under this section and a credit under section
 33 32 of this chapter (before its repeal) in the same year.
- 34 (F) Pay expenses incurred by the development authority for
 35 local public improvements or structures that were in the
 36 allocation area or directly serving or benefiting the allocation
 37 area.
- 38 (G) Reimburse public and private entities for expenses
 39 incurred in training employees of industrial facilities that are
 40 located:
- 41 (i) in the allocation area; and

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1 (ii) on a parcel of real property that has been classified as
 2 industrial property under the rules of the department of local
 3 government finance.
 4 However, the total amount of money spent for this purpose in
 5 any year may not exceed the total amount of money in the
 6 allocation fund that is attributable to property taxes paid by the
 7 industrial facilities described in this clause. The
 8 reimbursements under this clause must be made not more than
 9 three (3) years after the date on which the investments that are
 10 the basis for the increment financing are made.
 11 (H) Expend money and provide financial assistance as
 12 authorized in section 15(26) of this chapter.
 13 The allocation fund may not be used for operating expenses of the
 14 development authority.
 15 (4) Except as provided in subsection (g), before July 15 of each
 16 year the development authority shall do the following:
 17 (A) Determine the amount, if any, by which property taxes
 18 payable to the allocation fund in the following year will exceed
 19 the amount of property taxes necessary to make, when due,
 20 principal and interest payments on bonds described in
 21 subdivision (3) plus the amount necessary for other purposes
 22 described in subdivisions (2) and (3).
 23 (B) Provide a written notice to the appropriate county auditors
 24 and the fiscal bodies and other officers who are authorized to
 25 fix budgets, tax rates, and tax levies under IC 6-1.1-17-5 for
 26 each of the other taxing units that is wholly or partly located
 27 within the allocation area. The notice must:
 28 (i) state the amount, if any, of the excess property taxes that
 29 the development authority has determined may be paid to
 30 the respective taxing units in the manner prescribed in
 31 subdivision (1); or
 32 (ii) state that the development authority has determined that
 33 there is no excess assessed value that may be allocated to the
 34 respective taxing units in the manner prescribed in
 35 subdivision (1).
 36 The county auditors shall allocate to the respective taxing units
 37 the amount, if any, of excess assessed value determined by the
 38 development authority. The development authority may not
 39 authorize a payment to the respective taxing units under this
 40 subdivision if to do so would endanger the interest of the
 41 holders of bonds described in subdivision (3) or lessors under

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1 section 24 of this chapter. Property taxes received by a taxing
2 unit under this subdivision before 2009 are eligible for the
3 property tax replacement credit provided under IC 6-1.1-21
4 (before its repeal).

5 (c) For the purpose of allocating taxes levied by or for any taxing
6 unit or units, the assessed value of taxable property in a territory in the
7 allocation area that is annexed by a taxing unit after the effective date
8 of the allocation provision of the declaratory resolution is the lesser of:

9 (1) the assessed value of the property for the assessment date with
10 respect to which the allocation and distribution is made; or

11 (2) the base assessed value.

12 (d) Property tax proceeds allocable to the military base development
13 district under subsection (b)(3) may, subject to subsection (b)(4), be
14 irrevocably pledged by the military base development district for
15 payment as set forth in subsection (b)(3).

16 (e) Notwithstanding any other law, each assessor shall, upon
17 petition of the development authority, reassess the taxable property
18 situated upon or in or added to the allocation area, effective on the next
19 assessment date after the petition.

20 (f) Notwithstanding any other law, the assessed value of all taxable
21 property in the allocation area, for purposes of tax limitation, property
22 tax replacement, and the making of the budget, tax rate, and tax levy
23 for each political subdivision in which the property is located is the
24 lesser of:

25 (1) the assessed value of the property as valued without regard to
26 this section; or

27 (2) the base assessed value.

28 (g) If any part of the allocation area is located in an enterprise zone
29 created under IC 5-28-15, the development authority shall create funds
30 as specified in this subsection. A development authority that has
31 obligations, bonds, or leases payable from allocated tax proceeds under
32 subsection (b)(3) shall establish an allocation fund for the purposes
33 specified in subsection (b)(3) and a special zone fund. The
34 development authority shall, until the end of the enterprise zone phase
35 out period, deposit each year in the special zone fund any amount in the
36 allocation fund derived from property tax proceeds in excess of those
37 described in subsection (b)(1) and (b)(2) from property located in the
38 enterprise zone that exceeds the amount sufficient for the purposes
39 specified in subsection (b)(3) for the year. The amount sufficient for
40 purposes specified in subsection (b)(3) for the year shall be determined
41 based on the pro rata part of such current property tax proceeds from

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1 the part of the enterprise zone that is within the allocation area as
 2 compared to all such current property tax proceeds derived from the
 3 allocation area. A development authority that does not have
 4 obligations, bonds, or leases payable from allocated tax proceeds under
 5 subsection (b)(3) shall establish a special zone fund and deposit all the
 6 property tax proceeds in excess of those described in subsection (b)(1)
 7 and (b)(2) that are derived from property in the enterprise zone in the
 8 fund. The development authority that creates the special zone fund
 9 shall use the fund (based on the recommendations of the urban
 10 enterprise association) for programs in job training, job enrichment,
 11 and basic skill development that are designed to benefit residents and
 12 employers in the enterprise zone or for other purposes specified in
 13 subsection (b)(3), except that where reference is made in subsection
 14 (b)(3) to an allocation area it shall refer for purposes of payments from
 15 the special zone fund only to that part of the allocation area that is also
 16 located in the enterprise zone. The programs shall reserve at least
 17 one-half (1/2) of their enrollment in any session for residents of the
 18 enterprise zone.

19 (h) After each reassessment of real property in an area under a
 20 reassessment plan prepared under IC 6-1.1-4-4.2, the ~~department of~~
 21 ~~local government finance county auditor~~ shall, **on forms prescribed**
 22 **by the department of local government finance**, adjust the base
 23 assessed value one (1) time to neutralize any effect of the reassessment
 24 of the real property in the area on the property tax proceeds allocated
 25 to the military base development district under this section. After each
 26 annual adjustment under IC 6-1.1-4-4.5, the ~~department of local~~
 27 ~~government finance county auditor~~ shall, **on forms prescribed by the**
 28 **department of local government finance**, adjust the base assessed
 29 value to neutralize any effect of the annual adjustment on the property
 30 tax proceeds allocated to the military base development district under
 31 this section. However, the adjustments under this subsection may not
 32 include the effect of property tax abatements under IC 6-1.1-12.1, and
 33 these adjustments may not produce less property tax proceeds allocable
 34 to the military base development district under subsection (b)(3) than
 35 would otherwise have been received if the reassessment under the
 36 county's reassessment plan or annual adjustment had not occurred. ~~The~~
 37 ~~department of local government finance may prescribe procedures for~~
 38 ~~county and township officials to follow to assist the department in~~
 39 ~~making the adjustments.~~ **The county auditor shall, in the manner**
 40 **prescribed by the department of local government finance, submit**
 41 **the forms required by this subsection to the department of local**

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1 **government finance no later than July 15 of each year. If the**
 2 **county auditor fails to submit the forms by the deadline under this**
 3 **subsection, the county auditor shall allocate five percent (5%) of**
 4 **the assessed value in the allocation area that is used to calculate the**
 5 **allocation and distribution of allocated tax proceeds under this**
 6 **section to the respective taxing units. However, if the development**
 7 **authority notifies the county auditor and the department of local**
 8 **government finance, no later than July 15, that it is unable to meet**
 9 **its debt service obligations with regard to the allocation area**
 10 **without all or part of the allocated tax proceeds attributed to the**
 11 **assessed value that has been allocated to the respective taxing**
 12 **units, then the county auditor may not allocate five percent (5%)**
 13 **of the assessed value in the allocation area that is used to calculate**
 14 **the allocation and distribution of allocated tax proceeds under this**
 15 **section to the respective taxing units.**

16 (i) If the development authority adopts a declaratory resolution or
 17 an amendment to a declaratory resolution that contains an allocation
 18 provision and the development authority makes either of the filings
 19 required under section 17(e) or 18(f) of this chapter after the first
 20 anniversary of the effective date of the allocation provision, the auditor
 21 of the county in which the military base development district is located
 22 shall compute the base assessed value for the allocation area using the
 23 assessment date immediately preceding the later of:

24 (1) the date on which the documents are filed with the county
 25 auditor; or

26 (2) the date on which the documents are filed with the department
 27 of local government finance.

28 (j) For an allocation area established after June 30, 2024,
 29 "residential property" refers to the assessed value of property that is
 30 allocated to the one percent (1%) homestead land and improvement
 31 categories in the county tax and billing software system, along with the
 32 residential assessed value as defined for purposes of calculating the
 33 rate for the local income tax property tax relief credit designated for
 34 residential property under IC 6-3.6-5-6(d)(3) (before its expiration).

35 SECTION 161. IC 36-7-32-19, AS AMENDED BY P.L.86-2018,
 36 SECTION 349, IS AMENDED TO READ AS FOLLOWS
 37 [EFFECTIVE UPON PASSAGE]: Sec. 19. (a) The state board of
 38 accounts and department of local government finance shall make the
 39 rules and prescribe the forms and procedures that the state board of
 40 accounts and department of local government finance consider
 41 appropriate for the implementation of an allocation area under this
 42 chapter.

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1 (b) After each reassessment of real property in an area under a
 2 reassessment plan prepared under IC 6-1.1-4-4.2, the ~~department of~~
 3 ~~local government finance~~ **county auditor** shall, **on forms prescribed**
 4 **by the department of local government finance**, adjust the base
 5 assessed value one (1) time to neutralize any effect of the reassessment
 6 of the real property in the area on the property tax proceeds allocated
 7 to the certified technology park fund under section 17 of this chapter.
 8 After each annual adjustment under IC 6-1.1-4-4.5, the ~~department of~~
 9 ~~local government finance~~ **county auditor** shall, **on forms prescribed**
 10 **by the department of local government finance**, adjust the base
 11 assessed value to neutralize any effect of the annual adjustment on the
 12 property tax proceeds allocated to the certified technology park fund
 13 under section 17 of this chapter.

14 (c) **The county auditor shall, in the manner prescribed by the**
 15 **department of local government finance, submit the forms**
 16 **required by this section to the department of local government**
 17 **finance no later than July 15 of each year. If the county auditor**
 18 **fails to submit the forms by the deadline under this subsection, the**
 19 **county auditor shall allocate five percent (5%) of the assessed**
 20 **value in the allocation area that is used to calculate the allocation**
 21 **and distribution of allocated tax proceeds under this section to the**
 22 **respective taxing units. However, if the certified technology park**
 23 **notifies the county auditor and the department of local government**
 24 **finance, no later than July 15, that it is unable to meet its debt**
 25 **service obligations with regard to the allocation area without all or**
 26 **part of the allocated tax proceeds attributed to the assessed value**
 27 **that has been allocated to the respective taxing units, then the**
 28 **county auditor may not allocate five percent (5%) of the assessed**
 29 **value in the allocation area that is used to calculate the allocation**
 30 **and distribution of allocated tax proceeds under this section to the**
 31 **respective taxing units.**

32 SECTION 162. IC 36-7-32.5-16, AS ADDED BY P.L.135-2022,
 33 SECTION 28, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 34 UPON PASSAGE]: Sec. 16. (a) The state board of accounts, the
 35 department of state revenue, and the department of local government
 36 finance may adopt rules under IC 4-22-2 and prescribe the forms and
 37 procedures that the state board of accounts, the department of state
 38 revenue, and the department of local government finance consider
 39 appropriate for the implementation of an innovation development
 40 district under this chapter. However, before adopting rules under this
 41 section, the state board of accounts, the department of state revenue,
 42 and the department of local government finance shall submit a report

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- 1 to the budget committee that:
- 2 (1) describes the rules proposed by the state board of accounts,
3 the department of state revenue, and the department of local
4 government finance; and
- 5 (2) recommends statutory changes necessary to implement the
6 provisions of this chapter.
- 7 (b) After each reassessment of real property in an area under a
8 county's reassessment plan prepared under IC 6-1.1-4-4.2, the
9 ~~department of local government finance~~ **county auditor** shall, **on**
10 **forms prescribed by the department of local government finance**,
11 adjust the base assessed value one (1) time to neutralize any effect of
12 the reassessment of the real property in the area on the property tax
13 proceeds allocated to the local innovation development district fund
14 established by section 19 of this chapter.
- 15 (c) After each annual adjustment under IC 6-1.1-4-4.5, the
16 ~~department of local government finance~~ **county auditor** shall, **on**
17 **forms prescribed by the department of local government finance**,
18 adjust the base assessed value to neutralize any effect of the annual
19 adjustment on the property tax proceeds allocated to the local
20 innovation development district fund established by section 19 of this
21 chapter.
- 22 (d) **The county auditor shall, in the manner prescribed by the**
23 **department of local government finance, submit the forms**
24 **required by this section to the department of local government**
25 **finance no later than July 15 of each year. If the county auditor**
26 **fails to submit the forms by the deadline under this subsection, the**
27 **county auditor shall allocate five percent (5%) of the assessed**
28 **value in the allocation area that is used to calculate the allocation**
29 **and distribution of allocated tax proceeds under this section to the**
30 **respective taxing units. However, if the district notifies the county**
31 **auditor and the department of local government finance, no later**
32 **than July 15, that it is unable to meet its debt service obligations**
33 **with regard to the allocation area without all or part of the**
34 **allocated tax proceeds attributed to the assessed value that has**
35 **been allocated to the respective taxing units, then the county**
36 **auditor may not allocate five percent (5%) of the assessed value in**
37 **the allocation area that is used to calculate the allocation and**
38 **distribution of allocated tax proceeds under this section to the**
39 **respective taxing units.**
- 40 SECTION 163. IC 36-7.5-2-10.5 IS ADDED TO THE INDIANA
41 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
42 [EFFECTIVE FEBRUARY 28, 2026 (RETROACTIVE)]: **Sec. 10.5.**



1 (a) All bonds, notes, evidences of indebtedness, leases, or other
2 written obligations issued or executed under this article by or in
3 the name of the:

- 4 (1) Indiana finance authority;
- 5 (2) development authority; and
- 6 (3) city of Gary, the Lake County board of commissioners, or
7 the Lake County convention center authority established by
8 IC 36-7.5-7-9;

9 as authorized or approved by resolution or ordinance adopted by
10 the entity before February 28, 2026, are hereby legalized and
11 declared valid.

12 (b) Any pledge, dedication or designation of revenues,
13 conveyance, or mortgage securing the bonds, notes, evidences of
14 indebtedness, leases, or other written obligations issued or executed
15 under this article by or in the name of the:

- 16 (1) Indiana finance authority;
- 17 (2) development authority; and
- 18 (3) city of Gary, the Lake County board of commissioners, or
19 the Lake County convention center authority established by
20 IC 36-7.5-7-9;

21 as authorized or approved by resolution or ordinance adopted by
22 the entity before February 28, 2026, are hereby legalized and
23 declared valid.

24 (c) Any resolutions adopted, proceedings had, and actions taken
25 under this article by the:

- 26 (1) Indiana finance authority;
- 27 (2) development authority; and
- 28 (3) city of Gary, the Lake County board of commissioners, or
29 the Lake County convention center authority established by
30 IC 36-7.5-7-9;

31 before February 28, 2026, under which the bonds, notes, evidences
32 of indebtedness, leases, or other written obligations were or will be
33 issued or under which the pledge, dedication or designation of
34 revenues, conveyance, or mortgage was or will be granted are
35 hereby legalized and declared valid.

36 (d) An action to contest the validity of any action taken under
37 this article may not be brought after the fifteenth day following the
38 date the resolution of the:

- 39 (1) Indiana finance authority;
- 40 (2) development authority; or
- 41 (3) city of Gary, the Lake County board of commissioners, or
42 the Lake County convention center authority established by

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IC 36-7.5-7-9;
is adopted approving the action taken.

(e) If an action challenging an action taken under this article is not brought within the time prescribed by this section, the lease, contract, bonds, notes, obligations, or other action taken shall be conclusively presumed to be fully authorized and valid under the laws of the state and any person is estopped from further questioning the authorization, validity, execution, delivery, or issuance of the lease, contract, bonds, notes, obligations, or other action.

SECTION 164. IC 36-7.5-4.5-18, AS AMENDED BY P.L.236-2023, SECTION 194, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 18. If a district is established, the following apply to the administration and use of incremental property tax revenue by the development authority, or a redevelopment commission in the case of a district located in a cash participant county, in the district:

(1) The department of local government finance county auditor shall, on forms prescribed by the department of local government finance, adjust the base assessed value to neutralize any effect of a reassessment and the annual adjustment of the real property in the district in the same manner as provided in IC 36-7-14-39(h). The county auditor shall, in the manner prescribed by the department of local government finance, submit the forms required by this subdivision to the department of local government finance no later than July 15 of each year. If the county auditor fails to submit the forms by the deadline under this subdivision, the county auditor shall allocate five percent (5%) of the assessed value in the allocation area that is used to calculate the allocation and distribution of allocated tax proceeds under this section to the respective taxing units. However, if the district notifies the county auditor and the department of local government finance, no later than July 15, that it is unable to meet its debt service obligations with regard to the allocation area without all or part of the allocated tax proceeds attributed to the assessed value that has been allocated to the respective taxing units, then the county auditor may not allocate five percent (5%) of the assessed value in the allocation area that is used to calculate the allocation and distribution of allocated tax proceeds under this section to the respective taxing units.

(2) Proceeds of the property taxes approved by the voters in a

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1 referendum or local public question shall be allocated to and,
2 when collected, paid into the funds of the taxing unit for which
3 the referendum or local public question was conducted in the
4 same manner as provided in IC 36-7-14-39(b)(3).

5 (3) Incremental property tax revenue may be used only for one (1)
6 or more of the following purposes for a district:

7 (A) To finance the improvement, construction, reconstruction,
8 renovation, and acquisition of real and personal property
9 improvements within a district.

10 (B) To pay the principal of and interest on any obligations that
11 are incurred for the purpose of financing or refinancing
12 development in the district, including local public
13 improvements that are physically located in or physically
14 connected to the district.

15 (C) To establish, augment, or restore the debt service reserve
16 for bonds payable solely or in part from incremental property
17 tax revenue from the district.

18 (D) To pay premiums on the redemption before maturity of
19 bonds payable solely or in part from incremental property tax
20 revenue from the district.

21 (E) To make payments on leases payable from incremental
22 property tax revenue from the district.

23 (F) To reimburse a municipality in which a district is located
24 for expenditures made by the municipality for local public
25 improvements that are physically located in or physically
26 connected to the district.

27 (G) To reimburse a municipality for rentals paid by the
28 municipality for a building or parking facility that is physically
29 located in or physically connected to the district under any
30 lease entered into under IC 36-1-10.

31 (H) To pay expenses incurred by the development authority for
32 local public improvements that are in the district or serving the
33 district.

34 SECTION 165. IC 36-7.5-6-4, AS ADDED BY P.L.195-2023,
35 SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
36 UPON PASSAGE]: Sec. 4. (a) The blighted property demolition fund
37 is established to provide grants to the city of Gary to demolish qualified
38 properties.

39 (b) The fund consists of:
40 (1) appropriations from the general assembly;
41 (2) available federal funds;

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- 1 (3) transfers of money under ~~IC 4-33-13-2.5(b)(1);~~
- 2 **IC 4-33-13-5(a)(3)(B);**
- 3 (4) deposits required under section 5(a) and 5(b) of this chapter;
- 4 and
- 5 (5) gifts, grants, donations, or other contributions from any other
- 6 public or private source.
- 7 (c) The development authority shall administer the fund.
- 8 (d) The treasurer of state shall invest the money in the fund not
- 9 currently needed to meet the obligations of the fund in the same
- 10 manner as other public funds may be invested.
- 11 (e) The money remaining in the fund at the end of a state fiscal year
- 12 does not revert to the state general fund.
- 13 (f) Money in the fund is continuously appropriated for the purposes
- 14 of this chapter.

15 SECTION 166. IC 36-7.5-7-5, AS ADDED BY P.L.195-2023,
 16 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 17 UPON PASSAGE]: Sec. 5. (a) The Lake County economic
 18 development and convention fund is established. The fund shall be
 19 administered by the development authority.

- 20 (b) The convention fund consists of:
- 21 (1) deposits under ~~IC 4-33-13-2.5(b)(2);~~ **IC 4-33-13-5(a)(2)(C)**
- 22 **and IC 4-33-13-5(a)(3)(A);**
- 23 (2) deposits under subsection (c);
- 24 (3) appropriations to the fund;
- 25 (4) gifts, grants, loans, bond proceeds, and other money received
- 26 for deposit in the fund; and
- 27 (5) other deposits or transfers of funds from local units located in
- 28 Lake County.

29 (c) If a proposal is approved as provided under this chapter, each
 30 state fiscal year, beginning with the first state fiscal year that begins
 31 after the proposal is approved, the approved entity shall deposit up to
 32 five million dollars (\$5,000,000) in the convention fund. **The**
 33 **obligation of the city of Gary, as the approved entity, for each state**
 34 **fiscal year under this subsection is satisfied by the distributions**
 35 **made by the state comptroller on behalf of the city of Gary under**
 36 **IC 4-33-13-5(a)(2)(C). However, if the total amount distributed**
 37 **under IC 4-33-13-5(a)(2)(C) on behalf of the city of Gary with**
 38 **respect to a particular state fiscal year is less than the amount**
 39 **required by this subsection, the fiscal officer of the city of Gary**
 40 **shall transfer the amount of the shortfall to the convention fund**
 41 **from any source of revenue available to the city of Gary other than**
 42 **property taxes. The state comptroller shall certify the amount of**

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1 **any shortfall to the fiscal officer of the city of Gary after making**
 2 **the distribution required by IC 4-33-13-5(a)(2)(C) on behalf of the**
 3 **city of Gary with respect to a particular state fiscal year.**

4 (d) The development authority shall administer money, including
 5 determining amounts to be used and the specific purposes, from the
 6 convention fund.

7 (e) Except as provided in section 8(d) of this chapter, the money
 8 remaining in the convention fund at the end of a state fiscal year does
 9 not revert to the state general fund.

10 (f) Money in the convention fund is continuously appropriated for
 11 the purposes of this chapter.

12 (g) Subject to budget committee review, but except as provided in
 13 subsection (i), the development authority may receive reimbursement
 14 for expenses incurred and a reasonable and customary amount for
 15 providing administrative services from money in the convention fund.

16 (h) The development authority shall quarterly report to the budget
 17 committee on all uses of money in the convention fund and the status
 18 of the convention and event center project.

19 (i) The development authority shall conduct an updated feasibility
 20 study related to a potential convention and event center located in Lake
 21 County. The development authority shall be reimbursed for the costs
 22 of obtaining the updated feasibility study from money in the fund.
 23 Budget committee review is not required for reimbursement under this
 24 subsection.

25 SECTION 167. IC 36-7.5-7-9, AS ADDED BY P.L.195-2023,
 26 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 27 UPON PASSAGE]: Sec. 9. (a) If a proposal is approved under section
 28 8 of this chapter, following the approval of the proposal, **and when the**
 29 **construction of the convention and event center is substantially**
 30 **completed so that the convention and event center can be used for**
 31 **its intended purpose**, the Lake County convention center authority is
 32 established for the purpose of holding an equal share of ownership of
 33 the Lake County convention and event center with the entity whose
 34 proposal is approved and for providing general oversight of the upkeep,
 35 improvements, and management team as outlined in the accepted
 36 proposal. Subject to subsection (e), the convention center authority
 37 consists of seven (7) members, appointed as follows:

38 (1) Three (3) members appointed by the entity whose proposal is
 39 approved under section 8 of this chapter.

40 (2) Three (3) members appointed by the Lake County board of
 41 commissioners.

42 (3) One (1) member appointed by the governor.

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1 Individuals appointed to the convention center authority must be
 2 **Indiana residents and** have professional experience in commercial
 3 facility management. **An appointing authority may not appoint an**
 4 **attorney in active standing as a member of the authority.**

5 (b) The term of office for a member of the board is two (2) years.
 6 The term begins July 1 of the year in which the member is appointed
 7 and ends on June 30 of the second year following the member's
 8 appointment. A member may be reappointed after the member's term
 9 has expired.

10 (c) A vacancy in membership must be filled in the same manner as
 11 the original appointment. Appointments made to fill a vacancy that
 12 occurs before the expiration of a term are for the remainder of the
 13 unexpired term.

14 (d) The member appointed under subsection (a)(3) shall serve as the
 15 chairperson of the convention center authority. The convention center
 16 authority shall meet at the call of the chairperson.

17 (e) An individual may not be appointed to the convention center
 18 authority if the individual is a party to a contract or agreement with the
 19 entity whose proposal is approved, is employed by the entity whose
 20 proposal is approved, or otherwise has a direct or indirect financial
 21 interest in the entity whose proposal is approved under this chapter.

22 SECTION 168. IC 36-7.5-7-10, AS ADDED BY P.L.195-2023,
 23 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 24 UPON PASSAGE]: Sec. 10. (a) A local county fund known as the Lake
 25 County convention and event center reserve fund is established to pay
 26 for:

- 27 (1) additions;
- 28 (2) refurbishment; and
- 29 (3) budget shortfalls or other unusual costs;

30 of a convention and event center that is constructed using money from
 31 the convention fund under this chapter.

32 (b) The reserve fund consists of:

- 33 (1) transfers under IC 6-9-2-1.5(c); and
- 34 (2) gifts, grants, donations, or other contributions from any other
 35 public or private source.

36 (c) **The Lake County commissioners shall administer the reserve**
 37 **fund until the convention center authority is established.**
 38 **Thereafter,** the convention center authority shall administer the
 39 reserve fund.

40 SECTION 169. IC 36-7.5-8-3, AS ADDED BY P.L.195-2023,
 41 SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE

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1 UPON PASSAGE]: Sec. 3. (a) The Gary Metro Center station
2 revitalization fund is established to provide funding for the Gary Metro
3 Center station revitalization project.

- 4 (b) The fund consists of:
 - 5 (1) appropriations from the general assembly;
 - 6 (2) available federal funds;
 - 7 (3) transfers of money under ~~IC 4-33-13-2.5(b)(3);~~
8 **IC 4-33-13-5(a)(3)(C);**
 - 9 (4) deposits required under section 4 of this chapter; and
 - 10 (5) gifts, grants, donations, or other contributions from any other
11 public or private source.

12 (c) The development authority shall administer the fund.

13 (d) The money remaining in the fund at the end of a state fiscal year
14 does not revert to the state general fund.

15 (e) Money in the fund is continuously appropriated for the purposes
16 of this chapter.

17 (f) Subject to budget committee review, the development authority
18 may receive reimbursement for expenses incurred and a reasonable and
19 customary amount for providing administrative services from money
20 in the fund.

21 SECTION 170. IC 36-8-11-12, AS AMENDED BY P.L.236-2023,
22 SECTION 197, IS AMENDED TO READ AS FOLLOWS
23 [EFFECTIVE JULY 1, 2026]: Sec. 12. (a) This section does not apply
24 to the appointment of a governing board under section 12.5 of this
25 chapter.

26 (b) Within thirty (30) days after the ordinance or resolution
27 establishing the district becomes final, the county legislative body shall
28 appoint a board of fire trustees. The trustees must be qualified by
29 knowledge and experience in matters pertaining to fire protection and
30 related activities in the district. A person who:

- 31 (1) is a party to a contract with the district; ~~or~~
- 32 (2) is a member, an employee, a director, or a shareholder of any
33 corporation or association that has a contract with the district; ~~or~~
34 **(3) does not reside in the district;**

35 may not be appointed or serve as a trustee. The legislative body shall
36 appoint one (1) trustee from each township or part of a township
37 contained in the district and one (1) trustee from each municipality
38 contained in the district. If the number of trustees selected by this
39 method is an even number, the legislative body shall appoint one (1)
40 additional trustee so that the number of trustees is always an odd
41 number. If the requirements of this section do not provide at least three

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1 (3) trustees, the legislative body shall make additional appointments so
2 that there is a minimum of three (3) trustees.

3 (c) The original trustees shall be appointed as follows:

- 4 (1) One (1) for a term of one (1) year.
- 5 (2) One (1) for a term of two (2) years.
- 6 (3) One (1) for a term of three (3) years.
- 7 (4) All others for a term of four (4) years.

8 The terms expire on the first Monday of January of the year their
9 appointments expire. As the terms expire, each new appointment is for
10 a term of four (4) years.

11 (d) If a vacancy occurs on the board, the county legislative body
12 shall appoint a trustee with the qualifications specified in subsection
13 (b) for the unexpired term.

14 **(e) On December 31, 2026, the term of any person serving as a**
15 **trustee who does not reside in the district for which the person**
16 **serves as a trustee is terminated. The county legislative body shall**
17 **make new appointments as soon as possible after December 31,**
18 **2026, to serve for the remainder of the unexpired term.**

19 SECTION 171. IC 36-8-19-7.5, AS AMENDED BY P.L.68-2025,
20 SECTION 241, IS AMENDED TO READ AS FOLLOWS
21 [EFFECTIVE JANUARY 1, 2025 (RETROACTIVE)]: Sec. 7.5. (a)
22 This section applies to:

- 23 (1) local income tax distributions; and
 - 24 (2) excise tax distributions;
- 25 made after December 31, 2009.

26 (b) Except as provided in subsection (c), for purposes of allocating
27 local income tax distributions that are based on a taxing unit's
28 allocation amount before January 1, ~~2028~~, **2029**, or that an adopting
29 body allocates under IC 6-3.6-6 to economic development before
30 January 1, ~~2028~~, **2029**, or excise tax distributions that are distributed
31 based on the amount of a taxing unit's property tax levies, each
32 participating unit in a territory is considered to have imposed a part of
33 the property tax levy imposed for the territory. The part of the property
34 tax levy imposed for the territory for a particular year that shall be
35 attributed to a participating unit is equal to the amount determined in
36 the following STEPS:

- 37 STEP ONE: Determine the total amount of all property taxes
- 38 imposed by the participating unit in the year before the year in
- 39 which a property tax levy was first imposed for the territory.
- 40 STEP TWO: Determine the sum of the STEP ONE amounts for
- 41 all participating units.
- 42 STEP THREE: Divide the STEP ONE result by the STEP TWO

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- 1 result.
- 2 STEP FOUR: Multiply the STEP THREE result by the property
- 3 tax levy imposed for the territory for the particular year.
- 4 (c) This subsection applies to a determination under subsection (b)
- 5 made in calendar years 2018, 2019, and 2020. The department of local
- 6 government finance may, for distributions made in calendar year 2022,
- 7 adjust the allocation amount determined under subsection (b) to correct
- 8 for any clerical or mathematical errors made in any determination for
- 9 calendar year 2018, 2019, or 2020, as applicable, including the
- 10 allocation amount for any taxing unit whose distribution was affected
- 11 by the clerical or mathematical error in those years. The department of
- 12 local government finance may apply the adjustment to the allocation
- 13 amount for a taxing unit over a period not to exceed ten (10) years in
- 14 order to offset the effect of the adjustment on the distribution.
- 15 (d) This subsection applies to a territory established by an ordinance
- 16 or a resolution adopted under this chapter after December 31, 2024.
- 17 Before additional revenue from a local income tax rate may be
- 18 allocated to the provider unit of a new territory due to an increased
- 19 property tax levy resulting from the establishment of the territory, the
- 20 county fiscal body must adopt an ordinance or resolution approving the
- 21 allocation.
- 22 SECTION 172. IC 36-8-19-8.5, AS AMENDED BY P.L.255-2017,
- 23 SECTION 47, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 24 JULY 1, 2026]: Sec. 8.5. (a) Participating units may agree to establish
- 25 an equipment replacement fund under this section to be used to
- 26 purchase fire protection equipment, including housing, that will be
- 27 used to serve the entire territory. To establish the fund, the legislative
- 28 bodies of each participating unit must adopt an ordinance (in the case
- 29 of a county or municipality) or a resolution (in the case of a township
- 30 or fire protection district), and the following requirements must be met:
- 31 (1) The ordinance or resolution is identical to the ordinances and
- 32 resolutions adopted by the other participating units under this
- 33 section.
- 34 (2) Before adopting the ordinance or resolution, each participating
- 35 unit must comply with the notice and hearing requirements of
- 36 IC 6-1.1-41-3.
- 37 (3) The ordinance or resolution authorizes the provider unit to
- 38 establish the fund.
- 39 (4) The ordinance or resolution includes at least the following:
- 40 (A) The name of each participating unit and the provider unit.
- 41 (B) An agreement to impose a uniform tax rate upon all of the

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1 taxable property within the territory for the equipment
2 replacement fund.

3 (C) The contents of the agreement to establish the fund.
4 An ordinance or a resolution adopted under this section takes effect as
5 provided in IC 6-1.1-41.

6 (b) If a fund is established, the participating units may agree to:
7 (1) impose a property tax to provide for the accumulation of
8 money in the fund to purchase fire protection equipment;
9 (2) incur debt to purchase fire protection equipment and impose
10 a property tax to retire the loan; or
11 (3) transfer an amount from the fire protection territory fund to
12 the fire equipment replacement fund not to exceed five percent
13 (5%) of the levy for the fire protection territory fund for that year;
14 or any combination of these options.

15 (c) The property tax rate for the levy imposed under this section **is**
16 **considered part of the maximum permissible ad valorem property**
17 **tax levy and** may not exceed three and thirty-three hundredths cents
18 (\$0.0333) per one hundred dollars (\$100) of assessed value. Before
19 debt may be incurred, the fiscal body of a participating unit must adopt
20 an ordinance (in the case of a county or municipality) or a resolution
21 (in the case of a township or fire protection district) that specifies the
22 amount and purpose of the debt. The ordinance or resolution must be
23 identical to the other ordinances and resolutions adopted by the
24 participating units. Except as provided in subsection (d), if debt is to be
25 incurred for the purposes of a fund, the provider unit shall negotiate for
26 and hold the debt on behalf of the territory. However, the participating
27 units and the provider unit of the territory are jointly liable for any debt
28 incurred by the provider unit for the purposes of the fund. The most
29 recent adjusted value of taxable property for the entire territory must be
30 used to determine the debt limit under IC 36-1-15-6. A provider unit
31 shall comply with all general statutes and rules relating to the
32 incurrence of debt under this subsection.

33 (d) A participating unit of a territory may, to the extent allowed by
34 law, incur debt in the participating unit's own name to acquire fire
35 protection equipment or other property that is to be owned by the
36 participating unit. A participating unit that acquires fire protection
37 equipment or other property under this subsection may afterward enter
38 into an interlocal agreement under IC 36-1-7 with the provider unit to
39 furnish the fire protection equipment or other property to the provider
40 unit for the provider unit's use or benefit in accomplishing the purposes
41 of the territory. A participating unit shall comply with all general

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1 statutes and rules relating to the incurrence of debt under this
2 subsection.

3 (e) Money in the fund may be used by the provider unit only for
4 those purposes set forth in the agreement among the participating units
5 that permits the establishment of the fund.

6 (f) The requirements and procedures specified in IC 6-1.1-41
7 concerning the establishment or reestablishment of a cumulative fund,
8 the imposing of a property tax for a cumulative fund, and the increasing
9 of a property tax rate for a cumulative fund apply to:

10 (1) the establishment or reestablishment of a fund under this
11 section;

12 (2) the imposing of a property tax for a fund under this section;
13 and

14 (3) the increasing of a property tax rate for a fund under this
15 section.

16 (g) Notwithstanding IC 6-1.1-18-12, if a fund established under this
17 section is reestablished in the manner provided in IC 6-1.1-41, the
18 property tax rate imposed for the fund in the first year after the fund is
19 reestablished may not exceed three and thirty-three hundredths cents
20 (\$0.0333) per one hundred dollars (\$100) of assessed value.

21 SECTION 173. IC 36-9-37-14 IS AMENDED TO READ AS
22 FOLLOWS [EFFECTIVE JANUARY 1, 2026 (RETROACTIVE)]:
23 Sec. 14. (a) **With respect to** a property owner who has secured the
24 right to pay the property owner's assessments in deferred installments
25 by the filing of a waiver, ~~may~~, **the municipal works board shall**
26 **establish a policy to permit an owner of real property in the**
27 **municipality to prepay the property owner's assessment in full by**
28 **either of the following methods:**

29 (1) At any time after the expiration of the first year after the filing,
30 pay the entire balance of the assessment and be relieved of the
31 lien on the property owner's property. A property owner may not
32 pay the property owner's entire balance under this subsection
33 unless at the same time the property owner pays all interest due
34 at the next interest paying period.

35 (2) **At any time, including within the year of the filing, pay the**
36 **entire balance of the assessment and be relieved of the lien on**
37 **the property owner's property. A property owner may not**
38 **pay the property owner's entire balance under this subsection**
39 **unless at the same time the property owner pays all interest**
40 **due at the next interest paying period.**

41 (b) If a person who exercises the right to prepay the person's
42 assessment fully pays the assessment and interest, all interest and

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1 liability as to the assessed property ceases.

2 SECTION 174. [EFFECTIVE JANUARY 1, 2024
3 (RETROACTIVE)] (a) **This SECTION applies notwithstanding**
4 **IC 6-1.1-10, IC 6-1.1-11, or any other law or administrative rule or**
5 **provision.**

6 (b) **This SECTION applies to assessment dates after December**
7 **31, 2023, and before January 1, 2026.**

8 (c) **As used in this SECTION, "eligible property" means any**
9 **real property:**

10 (1) **that is owned, occupied, and used by a taxpayer that:**

11 (A) **is exempt from federal income taxation under Section**
12 **501(c)(3) of the Internal Revenue Code; and**

13 (B) **has a mission focused on preserving Indiana**
14 **landmarks;**

15 (2) **that is used for one (1) or more of the purposes described**
16 **in IC 6-1.1-10-16;**

17 (3) **that is a parcel that:**

18 (A) **was transferred to the taxpayer before January 1,**
19 **2024; and**

20 (B) **is located in Vanderburgh County;**

21 (4) **on which property taxes were imposed for the 2024 and**
22 **2025 assessment dates; and**

23 (5) **that would have been eligible for an exemption under**
24 **IC 6-1.1-10-16 for the 2024 and 2025 assessment dates if an**
25 **exemption application had been properly and timely filed**
26 **under IC 6-1.1 for the property.**

27 (d) **Before September 1, 2026, the owner of eligible property**
28 **may file a property tax exemption application and supporting**
29 **documents claiming a property tax exemption under this**
30 **SECTION for the eligible property for the 2024 and 2025**
31 **assessment dates.**

32 (e) **A property tax exemption application filed as provided in**
33 **subsection (d) is considered to have been properly and timely filed**
34 **for each assessment date.**

35 (f) **The following apply if the owner of eligible property files a**
36 **property tax exemption application as provided in subsection (d):**

37 (1) **The property tax exemption for the eligible property shall**
38 **be allowed and granted for the applicable assessment date by**
39 **the county assessor and county auditor of the county in which**
40 **the eligible property is located.**

41 (2) **The owner of the eligible property is not required to pay**
42 **any property taxes, penalties, or interest with respect to the**

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1 eligible property for the applicable assessment date.

2 (g) The exemption allowed by this SECTION shall be applied
3 without the need for any further ruling or action by the county
4 assessor, the county auditor, or the county property tax assessment
5 board of appeals of the county in which the eligible property is
6 located or by the Indiana board of tax review.

7 (h) To the extent the owner of the eligible property has paid any
8 property taxes, penalties, or interest with respect to the eligible
9 property for an applicable date and to the extent that the eligible
10 property is exempt from taxation as provided in this SECTION,
11 the owner of the eligible property is entitled to a refund of the
12 amounts paid. The owner is not entitled to any interest on the
13 refund under IC 6-1.1 or any other law to the extent interest has
14 not been paid by or on behalf of the owner. Notwithstanding the
15 filing deadlines for a claim under IC 6-1.1-26, any claim for a
16 refund filed by the owner of eligible property under this SECTION
17 before September 1, 2026, is considered timely filed. The county
18 auditor shall pay the refund due under this SECTION in one (1)
19 installment.

20 (i) This SECTION expires June 30, 2027.

21 SECTION 175. [EFFECTIVE JANUARY 1, 2026
22 (RETROACTIVE)] (a) IC 6-1.1-10.2, as added by this act, applies to
23 assessment dates occurring after December 31, 2025, for property
24 taxes first due and payable in 2027.

25 (b) This SECTION expires July 1, 2030.

26 SECTION 176. [EFFECTIVE JANUARY 1, 2026
27 (RETROACTIVE)] (a) The amendments made by this act to:

- 28 (1) IC 6-1.1-12.6-2;
- 29 (2) IC 6-1.1-12.6-4;
- 30 (3) IC 6-1.1-12.6-8;
- 31 (4) IC 6-1.1-12.8-3;
- 32 (5) IC 6-1.1-12.8-4;
- 33 (6) IC 6-1.1-12.8-9; and
- 34 (7) IC 6-1.1-12.8-10;

35 apply to assessment dates occurring after December 31, 2025.

36 (b) This SECTION expires January 1, 2028.

37 SECTION 177. [EFFECTIVE UPON PASSAGE] (a) IC 6-3.6-6-3
38 was amended by P.L.137-2024, SECTION 9, effective July 1, 2024,
39 until July 1, 2027, and by P.L.68-2025, SECTION 124, effective
40 July 1, 2027, and the effective date of the amendment made by
41 P.L.68-2025, SECTION 124 is delayed by this act until July 1, 2028.
42 The general assembly recognizes that this act amends, effective

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1 **July 1, 2026, the version of IC 6-3.6-6-3 amended by P.L.137-2024,**
 2 **SECTION 9. The general assembly intends for the version of**
 3 **IC 6-3.6-6-3:**

4 (1) as amended effective July 1, 2026, to expire July 1, 2028;
 5 and

6 (2) as amended by P.L.68-2025, SECTION 124, to take effect
 7 July 1, 2028.

8 (b) This SECTION expires December 31, 2028.

9 SECTION 178. [EFFECTIVE JANUARY 1, 2026
 10 (RETROACTIVE)] (a) IC 6-3.1-38-4 and IC 6-3.1-38-7, both as
 11 amended by this act, and IC 6-3.1-38-4.5, as added by this act,
 12 apply to taxable years beginning after December 31, 2025.

13 (b) This SECTION expires January 1, 2028.

14 SECTION 179. [EFFECTIVE JANUARY 1, 2026
 15 (RETROACTIVE)] (a) IC 6-1.1-51.3-5 and IC 6-1.1-51.3-6, both as
 16 added by this act, apply to property taxes imposed for assessment
 17 dates after December 31, 2025.

18 (b) This SECTION expires January 1, 2028.

19 SECTION 180. [EFFECTIVE JANUARY 1, 2026
 20 (RETROACTIVE)] (a) IC 6-1.1-12-14, as amended by this act,
 21 applies to property taxes for assessment dates after December 31,
 22 2025.

23 (b) This SECTION expires January 1, 2028.

24 SECTION 181. [EFFECTIVE UPON PASSAGE] (a)
 25 Notwithstanding the effective date of the following sections
 26 amended by P.L.68-2025 (SEA 1-2025), the effective date for these
 27 sections is July 1, 2028, and not July 1, 2027:

28 (1) IC 5-1-14-14, as amended by P.L.68-2025 (SEA 1-2025),
 29 SECTION 2.

30 (2) IC 5-16-9-3, as amended by P.L.68-2025 (SEA 1-2025),
 31 SECTION 4.

32 (3) IC 6-1.1-10.3-3, as amended by P.L.68-2025 (SEA 1-2025),
 33 SECTION 16 and as amended by this act.

34 (4) IC 6-1.1-10.3-5, as amended by P.L.68-2025 (SEA 1-2025),
 35 SECTION 17.

36 (5) IC 6-1.1-10.3-7, as amended by P.L.68-2025 (SEA 1-2025),
 37 SECTION 18.

38 (6) IC 6-3-2-27.5, as amended by P.L.68-2025 (SEA 1-2025),
 39 SECTION 86.

40 (7) IC 6-3.5-4-1, as amended by P.L.68-2025 (SEA 1-2025),
 41 SECTION 87.

42 (8) IC 6-3.5-4-1.1, as amended by P.L.68-2025 (SEA 1-2025),



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- 1 **SECTION 88.**
- 2 **(9) IC 6-3.5-5-1, as amended by P.L.68-2025 (SEA 1-2025),**
- 3 **SECTION 89.**
- 4 **(10) IC 6-3.5-5-1.1, as amended by P.L.68-2025 (SEA 1-2025),**
- 5 **SECTION 90.**
- 6 **(11) IC 6-3.6-1-1, as amended by P.L.68-2025 (SEA 1-2025),**
- 7 **SECTION 91.**
- 8 **(12) IC 6-3.6-1-1.5, as amended by P.L.68-2025 (SEA 1-2025),**
- 9 **SECTION 92 and as amended by this act.**
- 10 **(13) IC 6-3.6-1-3, as amended by P.L.68-2025 (SEA 1-2025),**
- 11 **SECTION 93 and as amended by this act.**
- 12 **(14) IC 6-3.6-1-4, as amended by P.L.68-2025 (SEA 1-2025),**
- 13 **SECTION 94.**
- 14 **(15) IC 6-3.6-2-5, as amended by P.L.68-2025 (SEA 1-2025),**
- 15 **SECTION 97.**
- 16 **(16) IC 6-3.6-3-1, as amended by P.L.68-2025 (SEA 1-2025),**
- 17 **SECTION 102.**
- 18 **(17) IC 6-3.6-3-3, as amended by P.L.68-2025 (SEA 1-2025),**
- 19 **SECTION 103 and as amended by this act.**
- 20 **(18) IC 6-3.6-3-4, as amended by P.L.68-2025 (SEA 1-2025),**
- 21 **SECTION 105 and as amended by this act.**
- 22 **(19) IC 6-3.6-3-5, as amended by P.L.68-2025 (SEA 1-2025),**
- 23 **SECTION 106 and as amended by this act.**
- 24 **(20) IC 6-3.6-6-2, as amended by P.L.68-2025 (SEA 1-2025),**
- 25 **SECTION 118 and as amended by this act.**
- 26 **(21) IC 6-3.6-6-3, as amended by P.L.68-2025 (SEA 1-2025),**
- 27 **SECTION 124.**
- 28 **(22) IC 6-3.6-6-4, as amended by P.L.68-2025 (SEA 1-2025),**
- 29 **SECTION 126 and as amended by this act.**
- 30 **(23) IC 6-3.6-6-8, as amended by P.L.68-2025 (SEA 1-2025),**
- 31 **SECTION 130.**
- 32 **(24) IC 6-3.6-6-8.5, as amended by P.L.68-2025 (SEA 1-2025),**
- 33 **SECTION 131.**
- 34 **(25) IC 6-3.6-6-9.5, as amended by P.L.68-2025 (SEA 1-2025),**
- 35 **SECTION 133.**
- 36 **(26) IC 6-3.6-6-17, as amended by P.L.68-2025 (SEA 1-2025),**
- 37 **SECTION 140.**
- 38 **(27) IC 6-3.6-6-18, as amended by P.L.68-2025 (SEA 1-2025),**
- 39 **SECTION 141.**
- 40 **(28) IC 6-3.6-6-19, as amended by P.L.68-2025 (SEA 1-2025),**
- 41 **SECTION 142.**
- 42 **(29) IC 6-3.6-6-21, as amended by P.L.68-2025 (SEA 1-2025),**

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- 1 **SECTION 144.**
2 **(30) IC 6-3.6-6-21.3, as amended by P.L.68-2025 (SEA**
3 **1-2025), SECTION 146 and as amended by this act.**
4 **(31) IC 6-3.6-7-9, as amended by P.L.68-2025 (SEA 1-2025),**
5 **SECTION 149 and as amended by this act.**
6 **(32) IC 6-3.6-7-28, as amended by P.L.68-2025 (SEA 1-2025),**
7 **SECTION 150.**
8 **(33) IC 6-3.6-8-4, as amended by P.L.68-2025 (SEA 1-2025),**
9 **SECTION 152.**
10 **(34) IC 6-3.6-9-1, as amended by P.L.68-2025 (SEA 1-2025),**
11 **SECTION 154 and as amended by this act.**
12 **(35) IC 6-3.6-9-4, as amended by P.L.68-2025 (SEA 1-2025),**
13 **SECTION 156.**
14 **(36) IC 6-3.6-9-4.1, as amended by P.L.68-2025 (SEA 1-2025),**
15 **SECTION 157.**
16 **(37) IC 6-3.6-9-5, as amended by P.L.68-2025 (SEA 1-2025),**
17 **SECTION 158 and as amended by this act.**
18 **(38) IC 6-3.6-9-6, as amended by P.L.68-2025 (SEA 1-2025),**
19 **SECTION 159.**
20 **(39) IC 6-3.6-9-7, as amended by P.L.68-2025 (SEA 1-2025),**
21 **SECTION 160.**
22 **(40) IC 6-3.6-9-9, as amended by P.L.68-2025 (SEA 1-2025),**
23 **SECTION 163.**
24 **(41) IC 6-3.6-9-10, as amended by P.L.68-2025 (SEA 1-2025),**
25 **SECTION 164 and as amended by this act.**
26 **(42) IC 6-3.6-9-11, as amended by P.L.68-2025 (SEA 1-2025),**
27 **SECTION 165.**
28 **(43) IC 6-3.6-9-12, as amended by P.L.68-2025 (SEA 1-2025),**
29 **SECTION 166 and as amended by this act.**
30 **(44) IC 6-3.6-9-13, as amended by P.L.68-2025 (SEA 1-2025),**
31 **SECTION 167 and as amended by this act.**
32 **(45) IC 6-3.6-9-16, as amended by P.L.68-2025 (SEA 1-2025),**
33 **SECTION 170.**
34 **(46) IC 6-3.6-11-3, as amended by P.L.68-2025 (SEA 1-2025),**
35 **SECTION 180 and as amended by this act.**
36 **(47) IC 6-9-10.5-8, as amended by P.L.68-2025 (SEA 1-2025),**
37 **SECTION 190.**
38 **(48) IC 8-18-22-6, as amended by P.L.68-2025 (SEA 1-2025),**
39 **SECTION 195.**
40 **(49) IC 8-22-3.5-9, as amended by P.L.68-2025 (SEA 1-2025),**
41 **SECTION 196.**
42 **(50) IC 12-20-25-34, as amended by P.L.68-2025 (SEA**



- 1 **1-2025), SECTION 197.**
 2 **(51) IC 12-20-25-35, as amended by P.L.68-2025 (SEA**
 3 **1-2025), SECTION 198.**
 4 **(52) IC 36-7-14-39, as amended by P.L.68-2025 (SEA 1-2025),**
 5 **SECTION 234.**
 6 **(53) IC 36-7-15.1-26, as amended by P.L.68-2025 (SEA**
 7 **1-2025), SECTION 235 and as amended by this act.**
 8 **(54) IC 36-7-15.1-53, as amended by P.L.68-2025 (SEA**
 9 **1-2025), SECTION 236 and as amended by this act.**
 10 **(55) IC 36-7-30-25, as amended by P.L.68-2025 (SEA 1-2025),**
 11 **SECTION 237 and as amended by this act.**
 12 **(56) IC 36-7-30.5-30, as amended by P.L.68-2025 (SEA**
 13 **1-2025), SECTION 238 and as amended by this act.**
 14 **(57) IC 36-7.5-4-2.5, as amended by P.L.68-2025 (SEA**
 15 **1-2025), SECTION 239.**
 16 **(58) IC 36-8-19-8, as amended by P.L.68-2025 (SEA 1-2025),**
 17 **SECTION 242.**
 18 **(b) Notwithstanding the effective date of the following sections**
 19 **amended by P.L.68-2025 (SEA 1-2025), the effective date for these**
 20 **sections is January 1, 2029, and not January 1, 2028:**
 21 **(1) IC 6-1.1-18.5-3, as amended by P.L.68-2025 (SEA 1-2025),**
 22 **SECTION 60.**
 23 **(2) IC 6-3.6-2-2, as amended by P.L.68-2025 (SEA 1-2025),**
 24 **SECTION 95 and as amended by this act.**
 25 **(3) IC 6-3.6-2-13, as amended by P.L.68-2025 (SEA 1-2025),**
 26 **SECTION 100 and as amended by this act.**
 27 **(4) IC 6-3.6-2-15, as amended by P.L.68-2025 (SEA 1-2025),**
 28 **SECTION 101 and as amended by this act.**
 29 **(5) IC 6-3.6-4-1, as amended by P.L.68-2025 (SEA 1-2025),**
 30 **SECTION 113.**
 31 **(6) IC 6-3.6-4-2, as amended by P.L.68-2025 (SEA 1-2025),**
 32 **SECTION 114.**
 33 **(7) IC 6-3.6-4-3, as amended by P.L.68-2025 (SEA 1-2025),**
 34 **SECTION 115.**
 35 **(8) IC 6-3.6-8-3, as amended by P.L.68-2025 (SEA 1-2025),**
 36 **SECTION 151 and as amended by this act.**
 37 **(9) IC 6-3.6-8-5, as amended by P.L.68-2025 (SEA 1-2025),**
 38 **SECTION 153.**
 39 **(10) IC 6-3.6-10-2, as amended by P.L.68-2025 (SEA 1-2025),**
 40 **SECTION 174.**
 41 **(11) IC 6-3.6-10-3, as amended by P.L.68-2025 (SEA 1-2025),**
 42 **SECTION 175.**

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- 1 (12) IC 6-3.6-10-5, as amended by P.L.68-2025 (SEA 1-2025),
- 2 SECTION 176.
- 3 (13) IC 6-3.6-10-6, as amended by P.L.68-2025 (SEA 1-2025),
- 4 SECTION 177.
- 5 (14) IC 6-3.6-11-4, as amended by P.L.68-2025 (SEA 1-2025),
- 6 SECTION 181.
- 7 (15) IC 6-3.6-11-5.5, as amended by P.L.68-2025 (SEA
- 8 1-2025), SECTION 182.
- 9 (16) IC 6-3.6-11-6, as amended by P.L.68-2025 (SEA 1-2025),
- 10 SECTION 183.
- 11 (17) IC 6-3.6-11-7, as amended by P.L.68-2025 (SEA 1-2025),
- 12 SECTION 184.
- 13 (18) IC 6-3.6-11-7.5, as amended by P.L.68-2025 (SEA
- 14 1-2025), SECTION 185.
- 15 (c) Notwithstanding the effective date of the following sections
- 16 added by P.L.68-2025 (SEA 1-2025), the effective date for these
- 17 sections is July 1, 2028, and not July 1, 2027:
- 18 (1) IC 6-3.6-3-3.3, as added by P.L.68-2025 (SEA 1-2025),
- 19 SECTION 104.
- 20 (2) IC 6-3.6-5-7, as added by P.L.68-2025 (SEA 1-2025),
- 21 SECTION 116.
- 22 (3) IC 6-3.6-6-0.5, as added by P.L.68-2025 (SEA 1-2025),
- 23 SECTION 117.
- 24 (4) IC 6-3.6-6-4.3, as added by P.L.68-2025 (SEA 1-2025),
- 25 SECTION 127 and as amended by this act.
- 26 (5) IC 6-3.6-6-4.5, as added by P.L.68-2025 (SEA 1-2025),
- 27 SECTION 128 and as amended by this act.
- 28 (6) IC 6-3.6-6-6.1, as added by P.L.68-2025 (SEA 1-2025),
- 29 SECTION 129 and as amended by this act.
- 30 (7) IC 6-3.6-6-22, as added by P.L.68-2025 (SEA 1-2025),
- 31 SECTION 147 and as amended by this act.
- 32 (8) IC 6-3.6-6-23, as added by P.L.68-2025 (SEA 1-2025),
- 33 SECTION 148 and as amended by this act.
- 34 (9) IC 6-3.6-9-1.1, as added by P.L.68-2025 (SEA 1-2025),
- 35 SECTION 155.
- 36 (10) IC 6-3.6-9-17.5, as added by P.L.68-2025 (SEA 1-2025),
- 37 SECTION 171 and as amended by this act.
- 38 (11) IC 6-3.6-9-20, as added by P.L.68-2025 (SEA 1-2025),
- 39 SECTION 172.
- 40 (12) IC 6-3.6-9-21, as added by P.L.68-2025 (SEA 1-2025),
- 41 SECTION 173 and as amended by this act.
- 42 (d) Notwithstanding the effective date of the following sections

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- 1 repealed by P.L.68-2025 (SEA 1-2025), the effective date for these
- 2 sections is July 1, 2028, and not July 1, 2027:
- 3 (1) IC 6-1.1-10.3-2, as repealed by P.L.68-2025 (SEA 1-2025),
- 4 SECTION 15.
- 5 (2) IC 6-3.6-2-4, as repealed by P.L.68-2025 (SEA 1-2025),
- 6 SECTION 96.
- 7 (3) IC 6-3.6-2-12, as repealed by P.L.68-2025 (SEA 1-2025),
- 8 SECTION 99.
- 9 (4) IC 6-3.6-3-6, as repealed by P.L.68-2025 (SEA 1-2025),
- 10 SECTION 107.
- 11 (5) IC 6-3.6-3-7, as repealed by P.L.68-2025 (SEA 1-2025),
- 12 SECTION 108.
- 13 (6) IC 6-3.6-3-8, as repealed by P.L.68-2025 (SEA 1-2025),
- 14 SECTION 109.
- 15 (7) IC 6-3.6-3-9, as repealed by P.L.68-2025 (SEA 1-2025),
- 16 SECTION 110.
- 17 (8) IC 6-3.6-3-10, as repealed by P.L.68-2025 (SEA 1-2025),
- 18 SECTION 112.
- 19 (9) IC 6-3.6-6-9, as repealed by P.L.68-2025 (SEA 1-2025),
- 20 SECTION 132.
- 21 (10) IC 6-3.6-6-10, as repealed by P.L.68-2025 (SEA 1-2025),
- 22 SECTION 134.
- 23 (11) IC 6-3.6-6-11, as repealed by P.L.68-2025 (SEA 1-2025),
- 24 SECTION 135.
- 25 (12) IC 6-3.6-6-12, as repealed by P.L.68-2025 (SEA 1-2025),
- 26 SECTION 136.
- 27 (13) IC 6-3.6-6-14, as repealed by P.L.68-2025 (SEA 1-2025),
- 28 SECTION 137.
- 29 (14) IC 6-3.6-6-15, as repealed by P.L.68-2025 (SEA 1-2025),
- 30 SECTION 138.
- 31 (15) IC 6-3.6-6-16, as repealed by P.L.68-2025 (SEA 1-2025),
- 32 SECTION 139.
- 33 (16) IC 6-3.6-6-20, as repealed by P.L.68-2025 (SEA 1-2025),
- 34 SECTION 143.
- 35 (17) IC 6-3.6-6-21.2, as repealed by P.L.68-2025 (SEA 1-2025),
- 36 SECTION 145.
- 37 (18) IC 6-3.6-9-8, as repealed by P.L.68-2025 (SEA 1-2025),
- 38 SECTION 161.
- 39 (19) IC 6-3.6-9-8.5, as repealed by P.L.68-2025 (SEA 1-2025),
- 40 SECTION 162.
- 41 (20) IC 6-3.6-9-14, as repealed by P.L.68-2025 (SEA 1-2025),
- 42 SECTION 168.

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1 (e) Notwithstanding the effective date of the following sections
2 repealed by P.L.68-2025 (SEA 1-2025), the effective date for these
3 sections is January 1, 2029, and not January 1, 2028:

4 (1) IC 6-3.6-6-2.5, as repealed by P.L.68-2025 (SEA 1-2025),
5 SECTION 119.

6 (2) IC 6-3.6-6-2.6, as repealed by P.L.68-2025 (SEA 1-2025),
7 SECTION 120.

8 (3) IC 6-3.6-6-2.7, as repealed by P.L.68-2025 (SEA 1-2025),
9 SECTION 121.

10 (4) IC 6-3.6-6-2.8, as repealed by P.L.68-2025 (SEA 1-2025),
11 SECTION 122.

12 (5) IC 6-3.6-6-2.9, as repealed by P.L.68-2025 (SEA 1-2025),
13 SECTION 123.

14 (6) IC 6-3.6-9-15, as repealed by P.L.68-2025 (SEA 1-2025),
15 SECTION 169.

16 (7) IC 6-3.6-11-1, as repealed by P.L.68-2025 (SEA 1-2025),
17 SECTION 179.

18 (f) The revisor of statutes shall print the Indiana Code to
19 incorporate the effective date changes to the sections of
20 P.L.68-2025 (SEA 1-2025) as provided in this SECTION and as
21 amended by this act.

22 SECTION 182. P.L.68-2025, SECTION 246, IS REPEALED
23 [EFFECTIVE UPON PASSAGE]. SECTION 246. [EFFECTIVE JUNE
24 30, 2027]. (a) Notwithstanding the July 1, 2027, effective date for
25 IC 6-3.6-6-0.5, IC 6-3.6-6-4.3, IC 6-3.6-6-4.5, and IC 6-3.6-6-6.1, all
26 as added by this act; the July 1, 2027, effective date for IC 6-3.6-6-2,
27 IC 6-3.6-6-3, IC 6-3.6-6-4, IC 6-3.6-6-8, IC 6-3.6-6-8.5, IC 6-3.6-6-9.5,
28 IC 6-3.6-6-17, IC 6-3.6-6-18, IC 6-3.6-6-19, and IC 6-3.6-6-21, all as
29 amended by this act; and the July 1, 2027, or January 1, 2028, repeal
30 of IC 6-3.6-6-2.5, IC 6-3.6-6-2.6, IC 6-3.6-6-2.7, IC 6-3.6-6-2.8,
31 IC 6-3.6-6-2.9, IC 6-3.6-6-9, IC 6-3.6-6-10, IC 6-3.6-6-11,
32 IC 6-3.6-6-12, IC 6-3.6-6-14, IC 6-3.6-6-15, IC 6-3.6-6-16, and
33 IC 6-3.6-6-20, all as repealed by this act; the method used to determine
34 the amount of a particular distribution of revenue before July 1, 2027,
35 shall continue to be used for these determinations for all of 2027.

36 (b) Notwithstanding the adoption of different tax rates by a county
37 applicable after 2027 or the adoption of municipal tax rates under
38 IC 6-3.6-6-22, as added by this act, applicable after 2027, or any other
39 provision of law, the certified distribution methodology calculation for
40 local income tax distributions made in 2027 shall continue for local
41 income tax distributions made in 2028 and 2029 to account for the
42 transition to any new tax rates.



1 (c) This SECTION expires June 30, 2030.
2 SECTION 183. [EFFECTIVE JUNE 30, 2028] (a) Notwithstanding
3 the effective date for:
4 (1) the amendment of sections in IC 6-3.6-6 by this act or by
5 P.L.68-2025;
6 (2) the addition of sections in IC 6-3.6-6 by this act or by
7 P.L.68-2025; or
8 (3) the repeal of sections in IC 6-3.6-6 by this act or by
9 P.L.68-2025;
10 the method used to determine the amount of a particular
11 distribution of revenue before July 1, 2028, shall continue to be
12 used for these determinations for all of 2028.
13 (b) Notwithstanding the adoption of different tax rates by a
14 county applicable after 2028 or the adoption of municipal tax rates
15 under IC 6-3.6-6-22, applicable after 2028, or any other provision
16 of law, the certified distribution methodology calculation for local
17 income tax distributions made in 2028 shall continue for local
18 income tax distributions made in 2029 and 2030 to account for the
19 transition to any new tax rates.
20 (c) This SECTION expires June 30, 2031.
21 SECTION 184. An emergency is declared for this act.

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