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HOUSE BILL No. 1210

Proposed Changes to introduced printing by AM121050

DIGEST OF PROPOSED AMENDMENT

Various state and local fiscal matters. Makes changes to the amount of supplemental wagering tax that the treasurer of state is required to pay to the riverboat operating in Gary. Makes changes to the distribution of wagering tax revenue to the city of Gary. Legalizes and validates bonds, notes, evidences of indebtedness, leases, or other written obligations issued or executed by or in the name of the: (1) Indiana finance authority; (2) development authority; and (3) Lake County Convention Center Authority (authority); as authorized or approved by resolution or ordinance adopted before February 28, 2026. Provides that the authority is established when the construction of the convention and event center is substantially completed so that the convention and event center can be used for its intended purpose. (Current law provides for the establishment of the authority upon the adoption of the proposal for the development, operation, and ownership of the Lake County convention and event center.) Requires state agencies and political subdivisions to cooperate with the state GIS officer in preparing a statewide base map. Requires an individual to reside on the real property, mobile home, or manufactured home to be eligible for the over 65 property tax credit. Increases the property tax deduction for a veteran who is totally disabled to an amount equal to 100% of the assessed value of the individual's real property (instead of \$14,000). Expires property tax deductions for certain veterans, and, beginning with property taxes imposed for the 2026 assessment date and thereafter, instead provides a property tax liability credit against local property taxes for veterans who previously claimed a deduction. Allows the executive of Miami Township in Cass County to submit a petition to the department of local government finance requesting an increase in the township's maximum permissible ad valorem property tax levy for property taxes first due and payable in 2027. Restores a provision requiring the department of local government finance to adopt rules amending 50 IAC 5.1 to reflect the enactment of the depreciable personal property 30% minimum valuation limitation (limitation). Restores certain provisions regarding the limitation. Removes a provision in the introduced version of the bill requiring the county auditor to provide notice to the: (1) executive of a city or town; or (2) county executive; regarding a common area in a residential development eligible for sale due to delinquency. Removes a provision that, for purposes of determining a solar land base rate, requires the department of local government finance to consider any land classified under the department's utility property class codes that is assessed using the agricultural base rate for the immediately preceding assessment date. Requires the Hancock County fiscal body to adopt a

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resolution to allow a one time transfer of money from the library property tax replacement fund to be allocated between the Hancock County Public Library and the Fortville Public Library. Provides that for purposes of fixing and reviewing budgets, tax rates, and tax levies, before a county auditor makes an amendment, the county auditor must provide written notice to the county fiscal body, the department of local government finance, and the fiscal officers of the affected taxing units. Provides that the department of local government finance may not approve the budget for a political subdivision until an attestation statement concerning the uploading of contracts is submitted. Specifies eligibility and procedures for a health reimbursement arrangement income tax credit. Moves the effective date for the local income tax changes enacted in SEA 1 in the 2025 session from 2028 to 2029. Makes corresponding changes to move the expiration date regarding a county with a single voting bloc enacted in HEA 1142 in the 2025 session. Specifies procedures for the imposition of local income taxes and distribution of local income tax revenue. Provides that, for counties or municipalities that fail to adopt an ordinance to renew an existing expenditure tax rate, the expenditure tax rate for the county or municipality shall be the minimum tax rate necessary for existing debt service. Provides that a county's total expenditure tax rate expires on December 31, 2029, and on December 31 of every calendar year thereafter. Provides that the county may determine an allocation method for revenue raised from a tax rate for fire protection or emergency medical services. Provides that the county and certain township fire departments must receive an allocation of revenue raised from a tax rate for fire protection or emergency medical services. Provides a formula for the distribution of revenue from the local income tax rate imposed by a county for certain small cities and towns. Specifies procedures for determining population for purposes of a municipal local income tax rate. Allows the Marshall County jail fund to be used for costs otherwise incurred for the operation of the county jail. Allows the Rush County fiscal body to adopt an ordinance to impose a food and beverage tax on or before December 31, 2026. Authorizes the city of Greendale to impose a food and beverage tax. Provides that the DeKalb County and Noble County innkeeper's tax rates may not exceed 8%. Replaces the definitions of "manufactured home" and "mobile home" throughout the Indiana Code with a singular definition. Requires a person appointed to a fire protection district board of trustees to reside in the fire protection district. Provides that the term of any person serving as a trustee who does not reside in the district for which the person serves as a trustee is terminated on December 31, 2026. Revises a provision of the municipal Barrett Law to: (1) require a municipal works board to establish a policy to permit an owner of real property in the municipality that has filed a waiver to pay the property owner's assessments in deferred installments to prepay the property owner's assessment; and (2) specify that the policy must allow such a property owner to pay the assessment in full at any time, including within the year in which the waiver is filed to pay assessments in deferred installments, while retaining the provision in current law for payment in full at any time after the expiration of the first year after the filing of the waiver. Prohibits a unit from adopting or enforcing an ordinance, resolution, regulation, policy, or rule that prohibits or restricts an owner of a privately owned residential property from using the property as a rental property.

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

2026

IN 1210—LS 6805/DI 134



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

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SECTION 1. [IC 4-23-7.3-5.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 5.5. As used in this chapter, "governmental boundary units" includes:

- (1) the geographic boundaries of a political subdivision;
- (2) the geographic boundaries of a taxing district (as defined by IC 6-1.1-1-20); and
- (3) any geographic boundaries related to the operation of the statewide 911 system under IC 36-8-16.7.

SECTION 2. IC 4-23-7.3-16, AS AMENDED BY P.L.134-2021, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 16. With money from the fund, the state GIS officer, through the data center, the IGIC, and the other organizations, shall do the following:

- (1) Ensure that there are adequate depositories of all GIS data and framework data obtained by a state agency.
- (2) Acquire, publish, store, and distribute GIS data and framework data through the computer gateway administered under IC 4-13.1-2-2(a)(6) by the office of technology and through the state data center. The state GIS officer may also provide access through the IGIC and other entities as directed by the state GIS officer.
- (3) Integrate GIS data and framework data developed and maintained by state agencies and political subdivisions into the statewide base map. **State agencies and political subdivisions shall cooperate and participate as requested by the state GIS officer to carry out this subdivision.**
- (4) Maintain a state historical archive of GIS data, framework data, and electronic maps.
- (5) Except as otherwise provided in this chapter, provide public access to GIS data and framework data in locations throughout Indiana.
- (6) Provide assistance to state agencies and political subdivisions regarding public access to GIS data and framework data so that information is available to the public while confidentiality is protected for certain data from electronic maps.
- (7) Develop and maintain statewide framework data layers associated with a statewide base map or electronic map.
- (8) Publish and distribute the state GIS data standards and the statewide data integration plan adopted under section 14(2) of

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1 this chapter.

2 (9) Subject to section 20 of this chapter, make GIS data,
 3 framework data, and electronic maps available for use by the
 4 Indiana Business Research Center.

5 SECTION 3. IC 4-23-7.3-20, AS ADDED BY P.L.198-2007,
 6 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 7 JULY 1, 2026]: Sec. 20. (a) Except as provided in subsections (b), (c),
 8 and (d), a political subdivision maintains the right to control the sale,
 9 exchange, and distribution of any GIS data or framework data provided
 10 by the political subdivision to the state through a data exchange
 11 agreement entered into under this chapter.

12 (b) A political subdivision may agree, through a provision in a data
 13 exchange agreement, to allow the sale, exchange, or distribution of GIS
 14 data or framework data provided to the state.

15 (c) Subsection (a) does not apply to data that is otherwise required
 16 by state or federal law to be provided by a political subdivision to the
 17 state or federal government.

18 (d) ~~As a condition in a data exchange agreement for providing~~
 19 ~~state GIS data or framework data to a political subdivision;~~ The state
 20 GIS officer may require the political subdivision to follow the state GIS
 21 data standards and the statewide data integration plan when the
 22 political subdivision makes use of the GIS data or framework data as
 23 provided by the state.

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

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

32 (1) The lesser of:

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

34 or

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

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

41 (2) The lesser of:

42 (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 during the preceding calendar quarter;
13 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 East Chicago.
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 during the preceding calendar quarter;
23 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 during the preceding
31 calendar quarter must be paid to the county convention and
32 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 during the preceding calendar quarter must be
37 paid to the northern Indiana law enforcement training center.
38 (7) Except as provided in section 9(k) of this chapter, five
39 percent (5%) of the admissions tax and supplemental wagering
40 tax collected by the licensed owner during the preceding
41 calendar quarter must be paid to the state fair commission for
42 use in any activity that the commission is authorized to carry out

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1 under IC 15-13-3.

2 (8) Except as provided in section 9(k) of this chapter, three and
 3 thirty-three hundredths percent (3.33%) of the admissions tax
 4 and supplemental wagering tax collected by the licensed owner
 5 during the preceding calendar quarter must be paid to the
 6 division of mental health and addiction.

7 (9) Twenty-one and six hundred sixty-seven thousandths percent
 8 (21.667%) of the admissions tax and supplemental wagering tax
 9 collected by the licensed owner during the preceding calendar
 10 quarter must be paid to the state general fund.

11 (c) Except as provided by IC 6-3.1-20-7, the treasurer of state shall
 12 quarterly pay the following amounts from the taxes collected during the
 13 preceding calendar quarter from each the riverboat operating in Gary:

14 (1) The lesser of:

15 (A) four hundred thirty-seven thousand five hundred dollars
 16 (\$437,500); **eight hundred seventy-five thousand dollars**
 17 **(\$875,000); or**

18 (B) thirty-three and one-third percent (33 1/3%) of the
 19 admissions tax and supplemental wagering tax collected by
 20 the licensed owner during the preceding calendar quarter;
 21 to the fiscal officer of the northwest Indiana regional
 22 development authority to partially satisfy Gary's funding
 23 obligation to the authority under IC 36-7.5-4-2.

24 (2) The lesser of:

25 (A) two hundred eighteen thousand seven hundred fifty
 26 dollars (\$218,750); **four hundred thirty-seven thousand**
 27 **five hundred dollars (\$437,500); 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 of a riverboat operating in Gary during
 39 the preceding calendar quarter; minus

40 (B) the amount distributed to the northwest Indiana regional
 41 development authority under subdivision (1) for the
 42 calendar quarter;



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

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- 1 (1) The lesser of:
 2 (A) eight hundred seventy-five thousand dollars (\$875,000);
 3 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 of a riverboat operating in Hammond
 7 during the preceding calendar quarter;
 8 to the fiscal officer of the northwest Indiana regional
 9 development authority to partially satisfy Hammond's funding
 10 obligation to the authority under IC 36-7.5-4-2.
- 11 (2) The lesser of:
 12 (A) two hundred eighteen thousand seven hundred fifty
 13 dollars (\$218,750); 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 the riverboat during the preceding
 25 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 Hammond.
- 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 the riverboat during the preceding
 35 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
 42 tax collected by the licensed owner of the riverboat during the

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1 preceding calendar quarter must be paid to the county
 2 convention and visitors bureau for Lake County.
 3 (6) Except as provided in section 9(k) of this chapter, three
 4 hundred thirty-three thousandths percent (.333%) of the
 5 admissions tax and supplemental wagering tax collected by the
 6 licensed owner of a riverboat during the preceding calendar
 7 quarter must be paid to the northern Indiana law enforcement
 8 training center.
 9 (7) Except as provided in section 9(k) of this chapter, five
 10 percent (5%) of the admissions tax and supplemental wagering
 11 tax collected by the licensed owner of the riverboat during the
 12 preceding calendar quarter must be paid to the state fair
 13 commission for use in any activity that the commission is
 14 authorized to carry out under IC 15-13-3.
 15 (8) Except as provided in section 9(k) of this chapter, three and
 16 thirty-three hundredths percent (3.33%) of the admissions tax
 17 and supplemental wagering tax collected by the licensed owner
 18 for each person admitted to the riverboat during the preceding
 19 calendar quarter must be paid to the division of mental health
 20 and addiction.
 21 (9) Twenty-one and six hundred sixty-seven thousandths percent
 22 (21.667%) of the admissions tax and supplemental wagering tax
 23 collected by the licensed owner of the riverboat during the
 24 preceding calendar quarter must be paid to the state general
 25 fund.
 26 SECTION 5. IC 4-33-13-2.5 IS REPEALED [EFFECTIVE UPON
 27 PASSAGE]. Sec. 2.5: (a) This section applies only to tax revenue:
 28 (1) remitted by a licensed owner operating a riverboat sited at a
 29 location approved under IC 4-33-6-4.5; and
 30 (2) collected under this chapter after June 30, 2025;
 31 (b) Notwithstanding section 3 of this chapter, the department shall
 32 deposit from the tax revenue remitted under this chapter by a licensed
 33 owner operating a riverboat sited at a location approved under
 34 IC 4-33-6-4.5 amounts as follows:
 35 (1) In each state fiscal year beginning after June 30, 2025, and
 36 ending before July 1, 2027, an amount equal to the amount
 37 deposited under IC 36-7.5-6-5(a) by the city of Gary in the
 38 blighted property demolition fund established by IC 36-7.5-6-4,
 39 up to three million dollars (\$3,000,000);
 40 (2) In each state fiscal year beginning after June 30, 2025, and
 41 ending before July 1, 2045, an amount equal to the amount
 42 deposited under IC 36-7.5-7-5(c) by an entity in the Lake County

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1 economic development and convention fund established by
 2 IC 36-7.5-7-5, up to five million dollars (\$5,000,000);
 3 (3) In each state fiscal year beginning after June 30, 2025, and
 4 ending before July 1, 2050, an amount equal to the amount
 5 deposited under IC 36-7.5-8-4 by the city of Gary, or on behalf
 6 of the city of Gary from any other source, in the Gary Metro
 7 Center station revitalization fund established by IC 36-7.5-8-3;
 8 up to three million dollars (\$3,000,000);
 9 Any amount of tax revenue remitted under this chapter by a licensed
 10 owner operating a riverboat sited at a location approved under
 11 IC 4-33-6-4.5 in a state fiscal year that exceeds the amount required for
 12 the deposits in this subsection for the state fiscal year must be
 13 deposited in the state gaming fund under section 3 of this chapter.
 14 (c) Budget committee review is required before any money may
 15 be:
 16 (1) matched under subsection (b); and
 17 (2) released to any of the following funds:
 18 (A) The blighted property demolition fund established by
 19 IC 36-7.5-6-4.
 20 (B) The Lake County economic development and
 21 convention fund established by IC 36-7.5-7-5.
 22 (C) The Gary Metro Center station revitalization fund
 23 established by IC 36-7.5-8-3.
 24 (d) The northwest Indiana regional development authority
 25 established by IC 36-7.5-2-1 shall provide any information to the
 26 department that the department determines is necessary for the
 27 department to carry out this section.
 28 (e) This section expires July 1, 2050.
 29 SECTION 6. IC 4-33-13-3, AS AMENDED BY P.L.195-2023,
 30 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 31 UPON PASSAGE]: Sec. 3. Except as provided in section 2.5 of this
 32 chapter, The department shall deposit tax revenue collected under this
 33 chapter in the state gaming fund.
 34 SECTION 7. IC 4-33-13-5, AS AMENDED BY P.L.9-2024,
 35 SECTION 109, IS AMENDED TO READ AS FOLLOWS
 36 [EFFECTIVE UPON PASSAGE]: Sec. 5. (a) This subsection does not
 37 apply to tax revenue remitted by an operating agent operating a
 38 riverboat in a historic hotel district. Excluding funds that are
 39 appropriated in the biennial budget act from the state gaming fund to
 40 the commission for purposes of administering this article, each month
 41 the state comptroller shall distribute the tax revenue deposited in the
 42 state gaming fund under this chapter to the following:

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

(A) Before July 1, 2021, 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).

(B) 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 equal to or greater than the total adjusted gross receipts 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

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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 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:

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- 1 (i) the state fiscal year beginning July 1, 2044, and
 2 ending June 30, 2045, however, if the required
 3 review by the budget committee before the first
 4 distribution under this clause does not occur until
 5 the state fiscal year beginning July 1, 2026, and
 6 ending June 30, 2027, then the state fiscal year
 7 beginning July 1, 2045, and ending June 30, 2046, is
 8 the applicable final state fiscal year under this item;
 9 or
 10 (ii) the date on which the state budget director
 11 receives a certificate from the public finance
 12 director appointed under IC 5-1.2-3-6 that all
 13 indebtedness of the Indiana finance authority and
 14 the northwest Indiana regional development
 15 authority which is secured by the fund has been
 16 repaid;
 17 an amount equal to the amount deposited under
 18 IC 36-7.5-7-5(c) by the approved entity in the Lake
 19 County economic development and convention fund
 20 established by IC 36-7.5-7-5, up to five million dollars
 21 (\$5,000,000). However, review by the budget committee
 22 is required before the first distribution for the first state
 23 fiscal year may be made under this clause.
 24 (B) In each state fiscal year beginning after June 30,
 25 2025, and ending before July 1, 2027, and only after:
 26 (i) review by the budget committee before the first
 27 distribution under this clause; and
 28 (ii) for each subsequent distribution, upon the state
 29 budget director's receipt of a certificate from the
 30 fiscal officer of the northwest Indiana regional
 31 development authority of the amount deposited
 32 under IC 36-7.5-6-5(a) by the city of Gary in the
 33 blighted property demolition fund established by
 34 IC 36-7.5-6-4 during the state fiscal year;
 35 an amount equal to the amount deposited under
 36 IC 36-7.5-6-5(a) by the city of Gary in the blighted
 37 property demolition fund established by IC 36-7.5-6-4,
 38 up to three million dollars (\$3,000,000).
 39 (C) In each state fiscal year beginning after June 30,
 40 2025, and ending before July 1, 2050, and only after:
 41 (i) review by the budget committee before the first
 42 distribution under this clause; and

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(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 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.

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(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 million dollars (\$100,000,000) of adjusted gross receipts;

the amount described in this clause shall be paid to the state general fund for the remainder of the state fiscal year.

(3) Forty-three and five-tenths percent (43.5%) shall be paid as follows:

(A) Twenty-two and four-tenths percent (22.4%) shall be paid as follows:

(i) Fifty percent (50%) to the fiscal officer of the town of French Lick.

(ii) Fifty percent (50%) to the fiscal officer of the town of West Baden Springs.

(B) Fourteen and eight-tenths percent (14.8%) shall be paid to the county treasurer of Orange County for distribution among the school corporations in the county. The governing bodies for the school corporations in the county shall provide a formula for the distribution of the money received under this clause among the school corporations by joint resolution adopted by the governing body of each of the school corporations in the county. Money received by a school corporation under this clause must be used to improve the educational attainment of students enrolled in the school corporation receiving the money. Not later than the first regular meeting in the school year of a governing body of a school corporation receiving a distribution under this clause, the superintendent of the school corporation shall submit to the governing body a report describing the purposes for which the receipts under this clause were used and the improvements in educational attainment realized through the use of the money. The report is a public record.

(C) Thirteen and one-tenth percent (13.1%) shall be paid to the county treasurer of Orange County.

(D) Five and three-tenths percent (5.3%) shall be distributed quarterly to the county treasurer of Dubois

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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.

(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

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

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

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

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

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

- (1) To each city located in the county according to the ratio the

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1 city's population bears to the total population of the county.

2 (2) To each town located in the county according to the ratio the

3 town's population bears to the total population of the county.

4 (3) After the distributions required in subdivisions (1) and (2)

5 are made, the remainder shall be retained by the county.

6 (e) Money received by a city, town, or county under subsection (d)
 7 or (g) may be used for any of the following purposes:

8 (1) To reduce the property tax levy of the city, town, or county
 9 for a particular year (a property tax reduction under this
 10 subdivision does not reduce the maximum levy of the city, town,
 11 or county under IC 6-1.1-18.5).

12 (2) For deposit in a special fund or allocation fund created under
 13 IC 8-22-3.5, IC 36-7-14, IC 36-7-14.5, IC 36-7-15.1, and
 14 IC 36-7-30 to provide funding for debt repayment.

15 (3) To fund sewer and water projects, including storm water
 16 management projects.

17 (4) For police and fire pensions.

18 (5) To carry out any governmental purpose for which the money
 19 is appropriated by the fiscal body of the city, town, or county.

20 Money used under this subdivision does not reduce the property
 21 tax levy of the city, town, or county for a particular year or
 22 reduce the maximum levy of the city, town, or county under
 23 IC 6-1.1-18.5.

24 (f) This subsection does not apply to an inland casino operating in
 25 Vigo County. Before July 15 of each year, the state comptroller shall
 26 determine the total amount of money distributed to an entity under
 27 IC 4-33-12-6 or IC 4-33-12-8 during the preceding state fiscal year. If
 28 the state comptroller determines that the total amount of money
 29 distributed to an entity under IC 4-33-12-6 or IC 4-33-12-8 during the
 30 preceding state fiscal year was less than the entity's base year revenue
 31 (as determined under IC 4-33-12-9), the state comptroller shall make
 32 a supplemental distribution to the entity from taxes collected under this
 33 chapter and deposited into the state general fund. Except as provided
 34 in subsection (h), the amount of an entity's supplemental distribution
 35 is equal to:

36 (1) the entity's base year revenue (as determined under
 37 IC 4-33-12-9); minus

38 (2) the sum of:

39 (A) the total amount of money distributed to the entity and
 40 constructively received by the entity during the preceding
 41 state fiscal year under IC 4-33-12-6 or IC 4-33-12-8; plus

42 (B) the amount of any admissions taxes deducted under



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IC 6-3.1-20-7.

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2 (g) This subsection applies only to Marion County. The county
3 auditor shall distribute the money received by the county under
4 subsection (d) as follows:

5 (1) To each city, other than the consolidated city, located in the
6 county according to the ratio that the city's population bears to
7 the total population of the county.

8 (2) To each town located in the county according to the ratio that
9 the town's population bears to the total population of the county.

10 (3) After the distributions required in subdivisions (1) and (2)
11 are made, the remainder shall be paid in equal amounts to the
12 consolidated city and the county.

13 (h) This subsection does not apply to an inland casino operating
14 in Vigo County. This subsection applies to a supplemental distribution
15 made after June 30, 2017. The maximum amount of money that may be
16 distributed under subsection (f) in a state fiscal year is equal to the
17 following:

18 (1) Before July 1, 2021, forty-eight million dollars
19 (\$48,000,000).

20 (2) After June 30, 2021, if the total adjusted gross receipts
21 received by licensees from gambling games authorized under
22 this article during the preceding state fiscal year is equal to or
23 greater than the total adjusted gross receipts received by
24 licensees from gambling games authorized under this article
25 during the state fiscal year ending June 30, 2020, the maximum
26 amount is forty-eight million dollars (\$48,000,000).

27 (3) After June 30, 2021, if the total adjusted gross receipts
28 received by licensees from gambling games authorized under
29 this article during the preceding state fiscal year is less than the
30 total adjusted gross receipts received by licensees from gambling
31 games authorized under this article during the state fiscal year
32 ending June 30, 2020, the maximum amount is equal to the
33 result of:

34 (A) forty-eight million dollars (\$48,000,000); multiplied by
35 (B) the result of:

36 (i) the total adjusted gross receipts received by
37 licensees from gambling games authorized under this
38 article during the preceding state fiscal year; divided
39 by

40 (ii) the total adjusted gross receipts received by
41 licensees from gambling games authorized under this
42 article during the state fiscal year ending June 30,

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2020.
If the total amount determined under subsection (f) exceeds the maximum amount determined under this subsection, the amount distributed to an entity under subsection (f) must be reduced according to the ratio that the amount distributed to the entity under IC 4-33-12-6 or IC 4-33-12-8 bears to the total amount distributed under IC 4-33-12-6 and IC 4-33-12-8 to all entities receiving a supplemental distribution.

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

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

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

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

- (1) must be paid to the fiscal officer of the political subdivision and may be deposited in the political subdivision's general fund (in the case of a school corporation, the school corporation may deposit the money into either the education fund (IC 20-40-2) or the operations fund (IC 20-40-18)) or riverboat fund established under IC 36-1-8-9, or both;
- (2) may not be used to reduce the maximum levy under IC 6-1.1-18.5 of a county, city, or town or the maximum tax rate of a school corporation, but, except as provided in subsection (b)(3)(B), may be used at the discretion of the political subdivision to reduce the property tax levy of the county, city, or town for a particular year;
- (3) except as provided in subsection (b)(3)(B), may be used for any legal or corporate purpose of the political subdivision,

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1 including the pledge of money to bonds, leases, or other
 2 obligations under IC 5-1-14-4; and

3 (4) is considered miscellaneous revenue.

4 Money distributed under subsection (b)(3)(B) must be used for the
 5 purposes specified in subsection (b)(3)(B).

6 (k) After June 30, 2020, the amount of wagering taxes that would
 7 otherwise be distributed to South Bend under subsection (d) shall be
 8 deposited as being received from all riverboats whose supplemental
 9 wagering tax, as calculated under IC 4-33-12-1.5(b), is over three and
 10 five-tenths percent (3.5%). The amount deposited under this
 11 subsection, in each riverboat's account, is proportionate to the
 12 supplemental wagering tax received from that riverboat under
 13 IC 4-33-12-1.5 in the month of July. The amount deposited under this
 14 subsection must be distributed in the same manner as the supplemental
 15 wagering tax collected under IC 4-33-12-1.5. This subsection expires
 16 June 30, 2021.

17 (l) After June 30, 2021, the amount of wagering taxes that would
 18 otherwise be distributed to South Bend under subsection (d) shall be
 19 withheld and deposited in the state general fund.

20 SECTION 8. IC 4-33-13-5.4, AS ADDED BY P.L.169-2025,
 21 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 22 UPON PASSAGE]: Sec. 5.4. (a) This section applies to each state
 23 fiscal year beginning after June 30, 2026.

24 (b) As used in this section, "qualified city" refers to East Chicago,
 25 Hammond, or Michigan City.

26 (c) As used in this section, "supplemental payment statute" refers
 27 to IC 4-33-13-5.3, as in effect on January 1, 2025.

28 (d) Subject to subsections (i) and (j), a qualified city is entitled to
 29 supplemental payments under this section for amounts not paid in state
 30 fiscal years 2022, 2023, 2024, and 2025 under the supplemental
 31 payment statute. The state comptroller shall determine the total amount
 32 of supplemental payments to which each qualified city is entitled as
 33 follows:

34 (1) In the case of East Chicago, an amount equal to the sum of
 35 the following:

36 (A) Six million four hundred seventy-four thousand two
 37 hundred seventy-four dollars (\$6,474,274).

38 (B) The amount, if any, for state fiscal year 2025 for which
 39 East Chicago is eligible under the supplemental payment
 40 statute.

41 (2) In the case of Michigan City, an amount equal to the sum of
 42 the following:



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1 (A) Five million seven hundred fifty-two thousand one
 2 hundred twenty-five dollars (\$5,752,125).

3 (B) The amount, if any, for state fiscal year 2025 for which
 4 Michigan City is eligible under the supplemental payment
 5 statute.

6 (3) In the case of Hammond, an amount equal to the amount, if
 7 any, for state fiscal year 2025 for which Hammond is eligible
 8 under the supplemental payment statute.

9 (e) Subject to subsections (j) and (l), each month, after deducting
 10 the amount required under section 5(a)(2)(C)(i) of this chapter, the
 11 state comptroller shall deduct an amount otherwise payable to Gary
 12 under section 5(a)(2) 5(a)(2)(C) of this chapter, if any, for the purpose
 13 of this chapter, not to exceed a total of two million dollars (\$2,000,000)
 14 for the state fiscal year.

15 (f) Subject to subsections (i), (j), and (l), the state comptroller shall
 16 annually distribute supplemental payments to each qualified city, on a
 17 monthly basis, based on:

18 (1) the amount deducted under subsection (e) in the preceding
 19 month; and

20 (2) one-twelfth (1/12) of the amount appropriated from the state
 21 general fund under subsection (k).

22 (g) Money for the supplemental payments is sourced from:

23 (1) the total amount deducted under subsection (e) in the state
 24 fiscal year; plus

25 (2) money appropriated by the general assembly for the state
 26 fiscal year for the purpose of making supplemental payments
 27 under this section.

28 (h) The state comptroller shall make a supplemental payment in
 29 each state fiscal year to each qualified city in an amount determined
 30 under the last STEP of the following formula:

31 STEP ONE: Divide the:

32 (A) total amount determined under subsection (d) for the
 33 qualified city; by

34 (B) aggregate amount of supplemental payments for all
 35 qualified cities determined under subsection (d).

36 STEP TWO: Multiply the:

37 (A) STEP ONE result; by

38 (B) amount of money to be used for supplemental payments
 39 in the state fiscal year under subsections (f) and (g).

40 (i) A qualified city may not receive a supplemental payment in
 41 excess of the amount determined under subsection (d) for the qualified
 42 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
 26 CODE AS A NEW SECTION TO READ AS FOLLOWS
 27 [EFFECTIVE JULY 1, 2026]: Sec. 19. (a) This section applies to a
 28 contract between a municipal entity and a municipal adviser
 29 entered into, renewed, or amended after June 30, 2026.

30 (b) As used in this section, "municipal adviser" means a
 31 person ~~<who is not an employee of the municipal entity who:~~

32 ~~(1) provides advice to or on behalf of a municipal entity or~~
 33 ~~obligated person concerning financial issues, including~~
 34 ~~advice related to:~~

35 ~~(A) municipal financial products or the issuance of~~
 36 ~~municipal securities, including with respect to structure,~~
 37 ~~timing, and terms; or~~

38 ~~(B) budgeting and long term financial planning; or~~

39 ~~(2) undertakes a solicitation of a municipal entity or~~
 40 ~~obligated person.~~

41 ~~The term includes financial advisers, guaranteed investment~~
 42 ~~contract brokers, third party marketers, placement agents;~~



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1 ~~solicitors, finders, and swap advisers who engage in~~ [defined as a]
 2 municipal ~~<advisory activities>~~ [adviser under Section 15B of the
 3 Securities Exchange Act].

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

- 5 (1) a county;
 6 (2) a township;
 7 (3) a city;
 8 (4) a town;
 9 (5) a school corporation;
 10 (6) a special taxing district;
 11 (7) an instrumentality of an entity listed in subdivisions (1)
 12 through (6); and
 13 (8) any other entity required to sell bonds pursuant to
 14 IC 5-1-11.

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

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

22 (f) As used in this section, "solicitation of a municipal entity or
 23 obligated person" has the meaning set forth in 15 U.S.C.
 24 780-4(e)(9).

25 (g) If a municipal entity hires or retains a municipal adviser,
 26 the municipal entity shall complete a ~~<competitive~~
 27 ~~process>~~ [request for proposals] at least once every ~~<two>~~ [three]
 28 ~~(=> [3])~~ years to select the municipal adviser. The ~~<competitive~~
 29 ~~process must include the issuance of a>~~ request for proposals ~~<or~~
 30 ~~request for qualifications that allows the municipal entity to~~
 31 ~~compare qualifications and select the most qualified municipal~~
 32 ~~adviser based on the>~~ [must include a] scope of services and [an]
 33 evaluation criteria ~~<outlined in the request for proposals or~~
 34 ~~request for qualifications>~~ [outline].

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

39 SECTION ~~<=>~~ [10]. IC 5-14-3.8-3, AS AMENDED BY
 40 P.L.1-2025, SECTION 66, IS AMENDED TO READ AS FOLLOWS
 41 [EFFECTIVE JULY 1, 2026]: Sec. 3. The department, ~~working with~~
 42 the office of technology established by IC 4-13.1-2-1, or another



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1 organization that is part of a state educational institution; the office of
 2 management and budget established by IC 4-3-22-3, and the state board
 3 of accounts established by IC 5-11-1-1 shall post on the Indiana
 4 transparency website the following:

- 5 (1) The financial reports required by IC 5-11-1-4.
- 6 (2) The report on expenditures per capita prepared under
 7 IC 6-1.1-33.5-7.
- 8 (3) A listing of the property tax rates certified by the department.
- 9 (4) An index of audit reports prepared by the state board of
 10 accounts.
- 11 (5) Local development agreement reports prepared under
 12 IC 4-33-23-10 and IC 4-33-23-17.
- 13 (6) Information for evaluating the fiscal health of a political
 14 subdivision in the format required by section 8(b) of this chapter.
- 15 (7) A listing of expenditures specifically identifying those for:
 16 (A) personal services;
 17 (B) other operating expenses or total operating expenses;
 18 and
 19 (C) debt service, including lease payments, related to debt.
- 20 (8) A listing of fund balances, specifically identifying balances
 21 in funds that are being used for accumulation of money for
 22 future capital needs.
- 23 (9) Any other financial information deemed appropriate by the
 24 department.

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

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

39] SECTION ~~↔~~[13]. IC 6-1.1-2-11, AS ADDED BY P.L.68-2025,
 40 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 41 JULY 1, 2025 (RETROACTIVE)]: Sec. 11. (a) As used in this section,
 42 "tax increment financing allocation area" means any area authorized by



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1 statute in which ad valorem property taxes are allocated, including the
2 following:

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

14 (b) The department ~~shall~~ shall, in each year beginning after
 15 December 31, ~~2025~~ **2026**, and ending before January 1, 2034,
 16 adjust the base assessed value of each tax increment financing
 17 allocation area to neutralize the effect of the changing tax rates
 18 resulting year to year from the homestead deduction under
 19 IC 6-1.1-12-37(c)(2) and IC 6-1.1-12-37.5(c) and the deduction for
 20 eligible property under IC 6-1.1-12-47. It is the intent of the general
 21 assembly that an increase in revenue from a change in tax rates
 22 resulting from these statutes accrue only to the base assessed value and
 23 not to the tax increment financing allocation area. However, in the case
 24 of a decrease in revenue from a change in tax rates resulting from these
 25 statutes, the department may neutralize the change under this
 26 subsection in a positive manner with regard to the tax increment
 27 financing allocation area to protect the ability to pay bonds based on
 28 incremental revenue, if the tax increment financing allocation area
 29 demonstrates to the department that an adjustment is needed before the
 30 department calculates a positive neutralization adjustment.

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

41 (b) On or before July 1 of each year, each county assessor shall
 42 certify to the county auditor **and the department of local government**

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1 **finance** the assessment value of the personal property in every taxing
 2 district. **The county assessor shall certify the assessment value of**
 3 **the personal property in the form prescribed by the department of**
 4 **local government finance.**

5 (c) The department of local government finance shall prescribe the
 6 forms required by this section. **If a county assessor fails to certify to**
 7 **the county auditor and the department of local government finance**
 8 **the assessment value of the personal property in every taxing**
 9 **district on or before July 1 in accordance with subsection (b), the**
 10 **county assessor shall, on or before July 1 of the same calendar**
 11 **year, provide electronic notice to the county auditor, the county**
 12 **fiscal body, the department of local government finance, and each**
 13 **political subdivision in the county subject to IC 6-1.1-17-16. The**
 14 **electronic notice must include a written statement acknowledging**
 15 **noncompliance and detail the reasons why the statutory deadline**
 16 **provided in subsection (b) was not met.**

17 (d) The department of local government finance shall, before
 18 February 2, 2027, and before February 2 of each year thereafter,
 19 submit a report of the counties that failed to meet the statutory
 20 deadline set forth in subsection (b) to the legislative services agency
 21 for distribution to the members of the legislative council. The
 22 report must be in an electronic format under IC 5-14-6.

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

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

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

- 36 (1) Promote uniform and equal assessment of real property
 37 within and across classifications.
- 38 (2) Require that assessing officials:
 - 39 (A) reevaluate the factors that affect value;
 - 40 (B) express the interactions of those factors mathematically;
 - 41 (C) use mass appraisal techniques to estimate updated
 42 property values within statistical measures of accuracy; and



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1 (D) provide notice to taxpayers of an assessment increase
 2 that results from the application of annual adjustments.
 3 (3) Prescribe procedures that permit the application of the
 4 adjustment percentages in an efficient manner by assessing
 5 officials.
 6 (d) The department of local government finance must review and
 7 certify each annual adjustment determined under this section.
 8 (e) For an assessment beginning after December 31, 2022,
 9 agricultural improvements such as but not limited to barns, grain bins,
 10 or silos on land assessed as agricultural shall not be adjusted using
 11 factors, such as neighborhood delineation, that are appropriate for use
 12 in adjusting residential, commercial, and industrial real property. Those
 13 portions of agricultural parcels that include land and buildings not used
 14 for an agricultural purpose, such as homes, homesites, and excess
 15 residential land and commercial or industrial land and buildings, shall
 16 be adjusted by the factor or factors developed for other similar property
 17 within the geographic stratification. The residential portion of
 18 agricultural properties shall be adjusted by the factors applied to
 19 similar residential purposes.
 20 (f) In making the annual determination of the base rate to satisfy
 21 the requirement for an annual adjustment for each assessment date, the
 22 department of local government finance shall, not later than March 1
 23 of each year, determine the base rate using the methodology reflected
 24 in Table 2-18 of Book 1, Chapter 2 of the department of local
 25 government finance's Real Property Assessment Guidelines (as in
 26 effect on January 1, 2005), except that the department shall adjust the
 27 methodology as follows:
 28 (1) Use a six (6) year rolling average adjusted under subdivision
 29 (3) instead of a four (4) year rolling average.
 30 (2) Use the data from the six (6) most recent years preceding the
 31 year in which the assessment date occurs for which data is
 32 available, before one (1) of those six (6) years is eliminated
 33 under subdivision (3) when determining the rolling average.
 34 (3) Eliminate in the calculation of the rolling average the year
 35 among the six (6) years for which the highest market value in use
 36 of agricultural land is determined.
 37 (4) After determining a preliminary base rate that would apply
 38 for the assessment date without applying the adjustment under
 39 this subdivision, the department of local government finance
 40 shall adjust the preliminary base rate as follows:
 41 (A) If the preliminary base rate for the assessment date
 42 would be at least ten percent (10%) greater than the final

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base rate determined for the preceding assessment date, a capitalization rate of:

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

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

shall be used to determine the final base rate.

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

(C) If neither clause (A) nor clause (B) applies, a capitalization rate of seven percent (7%) shall be used to determine the final base rate.

(D) In the case of a market value in use for a year that is used in the calculation of the six (6) year rolling average under subdivision (1) for purposes of determining the base rate for the assessment date:

(i) that market value in use shall be recalculated by using the capitalization rate determined under clauses (A) through (C) for the calculation of the base rate for the assessment date; and

(ii) the market value in use recalculated under item (i) shall be used in the calculation of the six (6) year rolling average under subdivision (1).

(g) For assessment dates after December 31, 2009, an adjustment in the assessed value of real property under this section shall be based on the estimated true tax value of the property on the assessment date that is the basis for taxes payable on that real property.

(h) The department shall release the department's annual determination of the base rate on or before March 1 of each year.

(i) For the January 1, 2025, assessment date only, the base rate determined using the capitalization rate under subsection (f)(4)(A)(i) shall not apply to land that is assessed under section 12 of this chapter.

SECTION ~~16~~ **[16]**. IC 6-1.1-4-25, AS AMENDED BY P.L.1-2025, SECTION 76, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2026 (RETROACTIVE)]: Sec. 25. (a)

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1 Each township assessor and each county assessor shall keep the
2 assessor's reassessment data and records current by securing the
3 necessary field data and by making changes in the assessed value of
4 real property as changes occur in the use of the real property. The
5 township or county assessor's records shall at all times show the
6 assessed value of real property in accordance with this chapter. The
7 township assessor shall ensure that the county assessor has full access
8 to the assessment records maintained by the township assessor.

9 (b) The county assessor shall:

10 (1) maintain an electronic data file of:

11 (A) the parcel characteristics and parcel assessments of all
12 parcels; and

13 (B) the personal property return characteristics and
14 assessments by return;

15 for each township in the 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:

19 (A) the legislative services agency; and

20 (B) the department of local government finance;

21 (3) provide electronic access to property record cards on the
22 official county website; and

23 (4) before ~~September 1~~ **July 1** of each year, transmit the data in
24 the file with respect to the assessment date of that year to the
25 department of local government finance.

26 (c) The appropriate county officer, as designated by the county
27 executive, shall:

28 (1) maintain an electronic data file of the geographic information
29 system characteristics of each parcel for each township in the
30 county as of each assessment date;

31 (2) maintain the electronic file in a form that formats the
32 information in the file with the standard data, field, and record
33 coding required and approved by the office of technology; and

34 (3) before ~~September 1~~ **July 1** of each year, transmit the data in
35 the file with respect to the assessment date of that year to the
36 geographic information office of the office of technology.

37 (d) An assessor under subsection (b) and an appropriate county
38 officer under subsection (c) shall do the following:

39 (1) Transmit the data in a manner that meets the data export and
40 transmission requirements in a standard format, as prescribed by
41 the office of technology established by IC 4-13.1-2-1 and
42 approved by the legislative services agency.

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1 (2) Resubmit the data in the form and manner required under
 2 subsection (b) or (c) upon request of the legislative services
 3 agency, the department of local government finance, or the
 4 geographic information office of the office of technology, as
 5 applicable, if data previously submitted under subsection (b) or
 6 (c) does not comply with the requirements of subsection (b) or
 7 (c), as determined by the legislative services agency, the
 8 department of local government finance, or the geographic
 9 information office of the office of technology, as applicable.

10 An electronic data file maintained for a particular assessment date may
 11 not be overwritten with data for a subsequent assessment date until a
 12 copy of an electronic data file that preserves the data for the particular
 13 assessment date is archived in the manner prescribed by the office of
 14 technology established by IC 4-13.1-2-1 and approved by the
 15 legislative services agency.

16 SECTION ~~6-1.1-5-14~~ [17]. IC 6-1.1-5-14, AS AMENDED BY
 17 P.L.232-2017, SECTION 5, IS AMENDED TO READ AS FOLLOWS
 18 [EFFECTIVE JANUARY 1, 2026 (RETROACTIVE)]: Sec. 14. (a) Not
 19 later than:

20 (1) May 15 in each calendar year ending before January 1, 2017;
 21 and

22 (2) May 1 in each calendar year ending after December 31,
 23 2016;

24 each township assessor in the county (if any) shall prepare and deliver
 25 to the county assessor a detailed list of the real property listed for
 26 taxation in the township.

27 (b) On or before July 1 of each calendar year, each county assessor
 28 shall, under oath, ~~prepare and deliver~~ **certify** to the county auditor **and**
 29 **the department of local government finance** a detailed list of the real
 30 property listed for taxation in the county. The county assessor shall ~~prepare~~ **certify**
 31 the list in the form prescribed by the department of
 32 local government finance.

33 (c) **If the county assessor fails to certify to the county auditor**
 34 **and the department of local government finance a detailed list of**
 35 **the real property on or before July 1 in accordance with subsection**
 36 **(b), then the county assessor shall, on or before July 1 of the same**
 37 **calendar year, provide electronic notice to the county auditor, the**
 38 **county fiscal body, the department of local government finance,**
 39 **and each political subdivision in the county subject to**
 40 **IC 6-1.1-17-16. The electronic notice must include a written**
 41 **statement acknowledging noncompliance and detail the reasons**
 42 **why the statutory deadline set forth in subsection (b) was not met.**

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

7 [SECTION 18. IC 6-1.1-7-1, AS AMENDED BY P.L.23-2024,
 8 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 9 UPON PASSAGE]: Sec. 1. (a) Except as provided in IC 6-1.1-10.5,
 10 mobile homes which are located within this state on the assessment
 11 date of a year shall be assessed and taxed for that year in the manner
 12 provided in this chapter. If a provision of this chapter conflicts with
 13 another provision of this article, the provision of this chapter controls
 14 with respect to the assessment and taxation of mobile homes.

15 (b) For purposes of this chapter, "mobile home" means a dwelling
 16 which:

17 (1) is factory assembled;

18 (2) is transportable;

19 (3) is intended for year around occupancy;

20 (4) exceeds thirty-five (35) feet in length; and

21 (5) is designed either for transportation on its own chassis or
 22 placement on a temporary foundation. **has the meaning set**
 23 forth in IC 9-13-2-103.2. The term includes a manufactured
 24 home (as defined in IC 9-13-2-96(a)).

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

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

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

36 SECTION ~~<10>~~[20]. IC 6-1. ~~<1-8-44>~~[1-8-24.5], AS AMENDED
 37 BY P.L. ~~<68-2025>~~[230-2025], SECTION ~~<13>~~[22], IS AMENDED
 38 TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 202~~<5>~~[6]
 39 (RETROACTIVE)]: Sec. ~~<44. (a) Except to the extent that it conflicts~~
 40 ~~with a statute and subject to subsection (f), 50 IAC 5.1 (as in effect~~
 41 ~~January 1, 2001), which was formerly incorporated by reference into~~
 42 ~~this section, is reinstated as a rule.~~



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1 — (b) Tangible personal property within the scope of 50 IAC 5.1 (as
 2 in effect January 1, 2001) shall be assessed on the assessment dates in
 3 calendar years 2003 and thereafter in conformity with 50 IAC 5.1 (as
 4 in effect January 1, 2001).
 5 — (c) The publisher of the Indiana Administrative Code shall publish
 6 50 IAC 5.1 (as in effect January 1, 2001) in the Indiana Administrative
 7 Code.
 8 — (d) 50 IAC 5.2 and any other rule to the extent that it conflicts with
 9 this section is void.
 10 — (e) A reference in 50 IAC 5.1 to a governmental entity that has
 11 been terminated or a statute that has been repealed or amended shall be
 12 treated as a reference to its successor.
 13 — (f) [24.5.] The department of local government finance ~~may not~~
 14 amend or repeal the following (all as in effect January 1, 2001):
 15 — (1) 50 IAC 5.1-6-6.
 16 — (2) 50 IAC 5.1-6-7.
 17 — (3) 50 IAC 5.1-6-8.
 18 — (4) 50 IAC 5.1-6-9.
 19 — (5) 50 IAC 5.1-8-1.
 20 — (6) 50 IAC 5.1-9-1.
 21 — (7) 50 IAC 5.1-9-2.
 22 ~~However,~~ [shall annually determine and release a solar land base rate
 23 for the north region, the central region, and the south region of the state
 24 as follows:
 25 (1) For each region, the department shall determine the median
 26 true tax value per acre of all land in the region classified under
 27 the utility property class codes of] the department of local
 28 government finance ~~may amend these rules to reflect statutory~~
 29 changes.
 30 — (g) ~~Notwithstanding any other provision of this section~~ [for the
 31 immediately preceding assessment date. For purposes of these
 32 determinations]; the department ~~of local government finance shall~~
 33 adopt rules amending 50 IAC 5.1 to reflect the enactment of section 45
 34 of this chapter.
 35 — SECTION 11. IC 6-1.1-8-45, AS AMENDED BY P.L.230-2025,
 36 SECTION 24, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 37 JANUARY 1, 2025 (RETROACTIVE)]: Sec. 45. (a) This subsection
 38 applies only to a taxpayer's assessable depreciable personal property
 39 that is placed in service on or before January 1, 2025. Except as
 40 provided in subsections (b) and (c), For each assessment date, the total
 41 valuation of a taxpayer's assessable depreciable personal property in a
 42 single taxing district may not be less than thirty percent (30%) of the

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1 adjusted cost of all the taxpayer's assessable depreciable property in the
2 taxing district:

3 — (b) The limitation set forth in subsection (a) is to be applied before
4 any special adjustment for abnormal obsolescence. The limitation does
5 not apply to equipment not placed in service, special tooling, and
6 permanently retired depreciable personal property:

7 — (c) Depreciable personal property that is placed in service after
8 January 1, 2025, is not subject to the minimum valuation limitation
9 under this section. However, if depreciable personal property is placed
10 in service after January 1, 2025, and is located in an existing tax
11 increment allocation area for which the base assessed value is
12 determined before January 1, 2025, the depreciable personal property
13 remains subject to the minimum valuation limitations under this
14 section:

15 — ~~SECTION 12~~ shall exclude any land classified under the
16 department's utility property class codes that is assessed using the
17 agricultural base rate for the immediately preceding assessment date.

18 (2) The department shall release the department's annual
19 determination of the solar land base rates on or before December
20 1 of each year.

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

24 **Chapter 10.2. Exemptions for Indiana Nonprofit Senior Living**
25 **Communities**

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

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

- 32 (1) registered as a continuing care retirement community
33 under IC 23-2-4;
- 34 (2) defined as a small house health facility under
35 IC 16-18-2-331.9; or
- 36 (3) licensed as a health care or residential care facility under
37 IC 16-28.

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

- 40 (1) registered as a continuing care retirement community
41 under IC 23-2-4;
- 42 (2) defined as a small house health facility under

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1 **IC 16-18-2-331.9; or**
 2 **(3) licensed as a health care or residential care facility under**
 3 **IC 16-28.**
 4 SECTION ~~43~~ 22. IC 6-1.1-10.3-3, AS AMENDED BY
 5 P.L.68-2025, SECTION 16, IS AMENDED TO READ AS FOLLOWS
 6 [EFFECTIVE JULY 1, 2028]: Sec. 3. As used in this chapter,
 7 "exemption ordinance" refers to an ordinance adopted under section 5
 8 of this chapter by a local income tax council (before July 1, 2027)
 9 2028) or by a county adopting body specified in IC 6-3.6-3-1(a) (after
 10 June 30, 2027): 2028).
 11 SECTION 23. IC 6-1.1-10.5-1, AS ADDED BY P.L.23-2024,
 12 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 13 UPON PASSAGE]: Sec. 1. (a) This chapter applies to ~~mobile homes~~
 14 and manufactured homes that are assessed under IC 6-1.1-7.
 15 (b) This chapter does not apply to ~~mobile homes and~~ manufactured
 16 homes that are assessed as:
 17 (1) inventory; or
 18 (2) real property;
 19 under this article and in accordance with rules adopted by the
 20 department of local government finance.
 21 SECTION 24. IC 6-1.1-10.5-4, AS ADDED BY P.L.23-2024,
 22 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 23 UPON PASSAGE]: Sec. 4. As used in this chapter, "manufactured
 24 home" has the meaning set forth in ~~IC 9-13-2-96. IC 9-13-2-96(a). The~~
 25 **term includes a mobile home (as defined in IC 9-13-2-103.2).**
 26 SECTION 25. IC 6-1.1-10.5-5, AS ADDED BY P.L.23-2024,
 27 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 28 UPON PASSAGE]: Sec. 5. As used in this chapter, "mobile home" has
 29 the meaning set forth in ~~IC 6-1.1-7-1(b). IC 9-13-2-103.2. The term~~
 30 **includes a manufactured home (as defined in IC 9-13-2-96(a)).**
 31 SECTION 26. IC 6-1.1-12-13, AS AMENDED BY P.L.230-2025,
 32 SECTION 31, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 33 JANUARY 1, 2026 (RETROACTIVE)]: Sec. 13. (a) Except as
 34 provided in section 40.5 of this chapter, an individual may have
 35 twenty-four thousand nine hundred sixty dollars (\$24,960) deducted
 36 from the assessed value of the taxable tangible property that the
 37 individual owns, or real property, a mobile home not assessed as real
 38 property, or a manufactured home not assessed as real property that the
 39 individual is buying under a contract that provides that the individual
 40 is to pay property taxes on the real property, mobile home, or
 41 manufactured home, if the contract or a memorandum of the contract
 42 is recorded in the county recorder's office and if:

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- 1 (1) the individual served in the military or naval forces of the
 2 United States during any of its wars;
 3 (2) the individual received an honorable discharge;
 4 (3) the individual has a disability with a service connected
 5 disability of ten percent (10%) or more;
 6 (4) the individual's disability is evidenced by:
 7 (A) a pension certificate, an award of compensation, or a
 8 disability compensation check issued by the United States
 9 Department of Veterans Affairs; or
 10 (B) a certificate of eligibility issued to the individual by the
 11 Indiana department of veterans' affairs after the Indiana
 12 department of veterans' affairs has determined that the
 13 individual's disability qualifies the individual to receive a
 14 deduction under this section; and
 15 (5) the individual:
 16 (A) owns the real property, mobile home, or manufactured
 17 home; or
 18 (B) is buying the real property, mobile home, or
 19 manufactured home under contract;
 20 on the date the statement required by section 15 of this chapter
 21 is filed.
 22 (b) The surviving spouse of an individual may receive the
 23 deduction provided by this section if the individual satisfied the
 24 requirements of subsection (a)(1) through (a)(4) at the time of death
 25 and the surviving spouse satisfies the requirement of subsection (a)(5)
 26 at the time the deduction statement is filed. The surviving spouse is
 27 entitled to the deduction regardless of whether the property for which
 28 the deduction is claimed was owned by the deceased veteran or the
 29 surviving spouse before the deceased veteran's death.
 30 (c) One who receives the deduction provided by this section may
 31 not receive the deduction provided by section 16 of this chapter.
 32 However, the individual may receive any other property tax deduction
 33 which the individual is entitled to by law.
 34 (d) 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 **(e) This section applies only to property taxes imposed for an**
 42 **assessment date before January 1, 2026.**

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(f) This section expires January 1, 2028.

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

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

(2) the individual received an honorable discharge;

(3) the individual either:

(A) has a total disability; or

(B) is at least sixty-two (62) years old and has a disability of at least ten percent (10%);

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

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

or

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

(5) the individual:

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

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

on the date the statement required by section 15 of this chapter is filed; and

(6) the individual has resided in Indiana for at least one (1) year before the assessment date for which the deduction under this section is claimed.

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

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

6 (2) the individual:

7 (A) was killed in action;

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

10 (C) died while performing inactive duty training in the
 11 military or naval forces of the United States; and

12 the surviving spouse satisfies the requirement of subsection (a)(5) at
 13 the time the deduction statement is filed. The surviving spouse is
 14 entitled to the deduction regardless of whether the property for which
 15 the deduction is claimed was owned by the deceased veteran or the
 16 surviving spouse before the deceased veteran's death. **However, a**
 17 **surviving spouse is no longer eligible for the deduction under this**
 18 **section if the surviving spouse subsequently remarries.**

19 (c) Except as provided in subsection (f), no one is entitled to the
 20 deduction provided by this section if the assessed value of the
 21 individual's Indiana real property, Indiana mobile home not assessed as
 22 real property, and Indiana manufactured home not assessed as real
 23 property, as shown by the tax duplicate, exceeds the assessed value
 24 limit specified in subsection (d):

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

26 (1) January 1, 2017, January 1, 2018, and January 1, 2019;
 27 assessment dates, the assessed value limit for purposes of
 28 subsection (c) is one hundred seventy-five thousand dollars
 29 (\$175,000);

30 (2) January 1, 2020, January 1, 2021, January 1, 2022, and
 31 January 1, 2023, assessment dates, the assessed value limit for
 32 purposes of subsection (c) is two hundred thousand dollars
 33 (\$200,000); and

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

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



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1 manufactured home.

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

6 (1) December 31, 2019; or

7 (2) the first year that the individual has received the deduction;
8 are not considered unless the increase in assessed value is attributable
9 to substantial renovation or new improvements. Where there is an
10 increase in assessed value for purposes of the deduction under this
11 section, the assessor shall provide a report to the county auditor
12 describing the substantial renovation or new improvements, if any, that
13 were made to the property prior to the increase in assessed value.

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

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

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

23 (2) the individual received an honorable discharge;

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

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

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

28 or

29 (B) a certificate of eligibility issued to the individual by the
30 Indiana department of veterans' affairs after the Indiana
31 department of veterans' affairs has determined that the
32 individual's disability qualifies the individual to receive a
33 deduction under this section; and

34 (5) the homestead was conveyed without charge to the individual
35 who is the owner of the homestead by an organization that is
36 exempt from income taxation under the federal Internal Revenue
37 Code.

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

41 (1) If the individual is totally disabled, the deduction is equal to
42 one hundred percent (100%) of the assessed value of the

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- 1 homestead.
- 2 (2) If the individual has a disability of at least ninety percent
- 3 (90%) but the individual is not totally disabled, the deduction is
- 4 equal to ninety percent (90%) of the assessed value of the
- 5 homestead.
- 6 (3) If the individual has a disability of at least eighty percent
- 7 (80%) but less than ninety percent (90%), the deduction is equal
- 8 to eighty percent (80%) of the assessed value of the homestead.
- 9 (4) If the individual has a disability of at least seventy percent
- 10 (70%) but less than eighty percent (80%), the deduction is equal
- 11 to seventy percent (70%) of the assessed value of the homestead.
- 12 (5) If the individual has a disability of at least sixty percent
- 13 (60%) but less than seventy percent (70%), the deduction is
- 14 equal to sixty percent (60%) of the assessed value of the
- 15 homestead.
- 16 (6) If the individual has a disability of at least fifty percent (50%)
- 17 but less than sixty percent (60%), the deduction is equal to fifty
- 18 percent (50%) of the assessed value of the homestead.
- 19 (d) An individual who claims a deduction under this section for an
- 20 assessment date may not also claim a deduction under section 13
- 21 (before its expiration) or 14 of this chapter for that same assessment
- 22 date.
- 23 (e) An individual who desires to claim the deduction under this
- 24 section must claim the deduction in the manner specified by the
- 25 department of local government finance.
- 26 SECTION 29]. IC 6-1.1-12-15, AS AMENDED BY P.L.230-2025,
- 27 SECTION 34, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 28 <JULY>[JANUARY] 1, 2026 [(RETROACTIVE)]]: Sec. 15. (a)
- 29 Except as provided in section 17.8 of this chapter and subject to section
- 30 45 of this chapter, an individual who desires to claim the deduction
- 31 provided by section 13 or 14 of this chapter must file a statement
- 32 with the auditor of the county in which the individual resides. **property**
- 33 **is located.**<>] To obtain the deduction for a desired calendar year in
- 34 which property taxes are first due and payable, the statement must be
- 35 completed, dated, and filed with the county auditor on or before
- 36 January 15 of the calendar year in which the property taxes are first due
- 37 and payable. The statement may be filed in person or by mail. If
- 38 mailed, the mailing must be postmarked on or before the last day for
- 39 filing. The statement shall contain a sworn declaration that the
- 40 individual is entitled to the deduction.
- 41 (b) In addition to the statement, the individual shall submit to the
- 42 county auditor for the auditor's inspection:

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1 ~~(1)~~ a pension certificate, an award of
 2 ~~compensation, or of a disability compensation~~
 3 ~~check issued by the United States~~
 4 ~~Department of Veterans Affairs if the~~
 5 ~~individual claims the deduction provided by~~
 6 ~~section 13 of this chapter;~~
 7 ~~(2)~~ (1) a pension certificate or an award of compensation
 8 issued by the United States Department of Veterans Affairs if the
 9 individual claims the deduction provided by section 14 of this
 10 chapter; or
 11 ~~(3)~~ (2) the appropriate certificate of eligibility issued to the
 12 individual by the Indiana department of veterans' affairs if the
 13 individual claims the deduction provided by section ~~13~~ or
 14 14 of this chapter.

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

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

31 SECTION ~~14~~ 30. IC 6-1.1-12-16, AS AMENDED BY
 32 P.L.68-2025, SECTION 28, IS AMENDED TO READ AS FOLLOWS
 33 [EFFECTIVE JANUARY 1, 2026 (RETROACTIVE)]: Sec. 16. (a)
 34 Except as provided in section 40.5 of this chapter, a surviving spouse
 35 may have the sum of eighteen thousand seven hundred twenty dollars
 36 (\$18,720) deducted from the assessed value of the surviving spouse's
 37 tangible property, or real property, mobile home not assessed as real
 38 property, or manufactured home not assessed as real property that the
 39 surviving spouse is buying under a contract that provides that the
 40 surviving spouse is to pay property taxes on the real property, mobile
 41 home, or manufactured home, if the contract or a memorandum of the
 42 contract is recorded in the county recorder's office, and if:

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

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

4 (3) the surviving spouse:

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

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

9 on the date the statement required by section 17 of this chapter
 10 is filed.

11 (b) A surviving spouse who receives the deduction provided by
 12 this section may not receive the deduction provided by section 13
 13 (before its expiration) of this chapter. However, the surviving spouse
 14 may receive any other deduction which the surviving spouse is entitled
 15 to by law.

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

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

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

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



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1 IC 6-1.1-22-8.1(b)(9) (expired January 1, 2015) before January 1, 2013,
 2 the county auditor shall mail notice of the proposed termination of the
 3 deduction to:

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

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

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

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

28 (d) 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), 17.4 (before its expiration),
 31 or 37 of this chapter for property that is jointly held with another owner
 32 in a particular year and remains eligible for the deduction in the
 33 following year is not required to file a statement to reapply for the
 34 deduction following the removal of the joint owner if:

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

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

39 If a county auditor terminates a deduction under section 9 of this
 40 chapter (before its expiration), a deduction under section 37 of this
 41 chapter, or a credit under IC 6-1.1-20.6-8.5 after June 30, 2017, and
 42 before May 1, 2019, because the taxpayer claiming the deduction or



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1 credit did not comply with a requirement added to this subsection by
 2 P.L.255-2017 to reapply for the deduction or credit, the county auditor
 3 shall reinstate the deduction or credit if the taxpayer provides proof that
 4 the taxpayer is eligible for the deduction or credit and is not claiming
 5 the deduction or credit for any other property.

6 (e) A trust entitled to a deduction under section 9 (before its
 7 expiration), 11 (before its expiration), 13 (**before its expiration**), 14,
 8 16 (before its expiration), 17.4 (before its expiration), or 37 of this
 9 chapter for real property owned by the trust and occupied by an
 10 individual in accordance with section 17.9 of this chapter (~~before its~~
 11 expiration) is not required to file a statement to apply for the deduction,
 12 if:

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

18 (2) the trust remains eligible for the deduction in the following
 19 year.

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

24 (f) A cooperative housing corporation (as defined in 26 U.S.C.
 25 216) that is entitled to a deduction under section 37 of this chapter in
 26 the immediately preceding calendar year for a homestead (as defined
 27 in section 37 of this chapter) is not required to file a statement to apply
 28 for the deduction for the current calendar year if the cooperative
 29 housing corporation remains eligible for the deduction for the current
 30 calendar year. However, the county auditor may, in the county auditor's
 31 discretion, terminate the deduction for assessment dates after January
 32 15, 2012, if the individual does not comply with the requirement in
 33 IC 6-1.1-22-8.1(b)(9) (expired January 1, 2015), as determined by the
 34 county auditor, before January 1, 2013. Before the county auditor
 35 terminates a deduction because the taxpayer claiming the deduction did
 36 not comply with the requirement in IC 6-1.1-22-8.1(b)(9) (expired
 37 January 1, 2015) before January 1, 2013, the county auditor shall mail
 38 notice of the proposed termination of the deduction to:

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

42 (2) the last known address of the most recent owner shown in the



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1 transfer book.

2 (g) An individual who:

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

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

10 is not required to file a statement to apply for a deduction under section
 11 37 of this chapter if the individual remains eligible for the deduction in
 12 the current year. An individual who filed for a homestead credit under
 13 IC 6-1.1-20.9 (repealed) for an assessment date after March 1, 2007 (if
 14 the property is real property), or after January 1, 2008 (if the property
 15 is personal property), shall be treated as an individual who has filed for
 16 a deduction under section 37 of this chapter. However, the county
 17 auditor may, in the county auditor's discretion, terminate the deduction
 18 for assessment dates after January 15, 2012, if the individual does not
 19 comply with the requirement in IC 6-1.1-22-8.1(b)(9) (expired January
 20 1, 2015), as determined by the county auditor, before January 1, 2013.
 21 Before the county auditor terminates the deduction because the
 22 taxpayer claiming the deduction did not comply with the requirement
 23 in IC 6-1.1-22-8.1(b)(9) (expired January 1, 2015) before January 1,
 24 2013, the county auditor shall mail notice of the proposed termination
 25 of the deduction to the last known address of each person liable for any
 26 property taxes or special assessment, as shown on the tax duplicate or
 27 special assessment records, or to the last known address of the most
 28 recent owner shown in the transfer book.

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

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

39 SECTION 32. IC 6-1.1-12-17.9, AS AMENDED BY
 40 P.L.230-2025, SECTION 36, IS AMENDED TO READ AS
 41 FOLLOWS [EFFECTIVE JANUARY 1, 2026 (RETROACTIVE)]:
 42 Sec. 17.9. A trust is entitled to a deduction under section 9 (before its



1 expiration), 11 (before its expiration), 13 (before its expiration), 14,
2 16 (before its expiration), or 17.4 (before its expiration) of this chapter
3 for real property owned by the trust and occupied by an individual if
4 the county auditor determines that the individual:

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

7 (A) a beneficial interest in the trust; or

8 (B) the right to occupy the real property rent free under the
9 terms of a qualified personal residence trust created by the
10 individual under United States Treasury Regulation
11 25.2702-5(c)(2); and

12 (2) otherwise qualifies for the deduction.

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

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

19 (A) Residential real property improvements that an
20 individual uses as the individual's residence, limited to a
21 single house and a single garage, regardless of whether the
22 single garage is attached to the single house or detached
23 from the single house.

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

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

29 (2) "Homestead" means an individual's principal place of
30 residence:

31 (A) that is located in Indiana;

32 (B) that:

33 (i) the individual owns;

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

42 (iii) the individual is entitled to occupy as a

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1 tenant-stockholder (as defined in 26 U.S.C. 216) of a
 2 cooperative housing corporation (as defined in 26
 3 U.S.C. 216); or
 4 (iv) is a residence described in section 17.9 of this
 5 chapter ~~<> [(before its expiration)]~~ that is owned by a
 6 trust if the individual is an individual described in
 7 section 17.9 of this chapter; ~~(before its expiration);~~ and
 8 (C) that consists of a dwelling and includes up to one (1)
 9 acre of land immediately surrounding that dwelling, and any
 10 of the following improvements:

- 11 (i) Any number of decks, patios, gazebos, or pools.
 12 (ii) One (1) additional building that is not part of the
 13 dwelling if the building is predominantly used for a
 14 residential purpose and is not used as an investment
 15 property or as a rental property.
 16 (iii) One (1) additional residential yard structure other
 17 than a deck, patio, gazebo, or pool.

18 Except as provided in subsection (r), the term does not include
 19 property owned by a corporation, partnership, limited liability
 20 company, or other entity not described in this subdivision.

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

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

- 30 (1) the assessment date; or
 31 (2) any date in the same year after an assessment date that a
 32 statement is filed under subsection (e) or section 44 of this
 33 chapter, if the property consists of real property.

34 If more than one (1) individual or entity qualifies property as a
 35 homestead under subsection (a)(2)(B) for an assessment date, only one
 36 (1) standard deduction from the assessed value of the homestead may
 37 be applied for the assessment date. Subject to subsection (c), the
 38 auditor of the county shall record and make the deduction for the
 39 individual or entity qualifying for the deduction.

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



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- 1 (1) for assessment dates before January 1, 2025, the lesser of:
- 2 (A) sixty percent (60%) of the assessed value of the real
- 3 property, mobile home not assessed as real property, or
- 4 manufactured home not assessed as real property; or
- 5 (B) forty-eight thousand dollars (\$48,000); or
- 6 (2) for assessment dates after December 31, 2024:
- 7 (A) in 2025, forty-eight thousand dollars (\$48,000);
- 8 (B) in 2026, forty thousand dollars (\$40,000);
- 9 (C) in 2027, thirty thousand dollars (\$30,000);
- 10 (D) in 2028, twenty thousand dollars (\$20,000); and
- 11 (E) in 2029, ten thousand dollars (\$10,000).

12 Beginning with the 2030 assessment date, and each assessment date
 13 thereafter, the deduction amount under this section is zero (0).
 14 Application of the phase down under this section for assessment dates
 15 after December 31, 2024, with regard to mobile homes that are not
 16 assessed as real property and manufactured homes not assessed as real
 17 property shall be construed and applied in the same manner in terms of
 18 timing and consistent with its application for real property.

19 (d) A person who has sold real property, a mobile home not
 20 assessed as real property, or a manufactured home not assessed as real
 21 property to another person under a contract that provides that the
 22 contract buyer is to pay the property taxes on the real property, mobile
 23 home, or manufactured home may not claim the deduction provided
 24 under this section with respect to that real property, mobile home, or
 25 manufactured home.

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

- 32 (1) the parcel number or key number of the property and the
- 33 name of the city, town, or township in which the property is
- 34 located;
- 35 (2) the name of any other location in which the applicant or the
- 36 applicant's spouse owns, is buying, or has a beneficial interest in
- 37 residential real property;
- 38 (3) the names of:
- 39 (A) the applicant and the applicant's spouse (if any):
- 40 (i) as the names appear in the records of the United
- 41 States Social Security Administration for the purposes
- 42 of the issuance of a Social Security card and Social

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- 1 Security number; or
- 2 (ii) that they use as their legal names when they sign
- 3 their names on legal documents;
- 4 if the applicant is an individual; or
- 5 (B) each individual who qualifies property as a homestead
- 6 under subsection (a)(2)(B) and the individual's spouse (if
- 7 any):
- 8 (i) as the names appear in the records of the United
- 9 States Social Security Administration for the purposes
- 10 of the issuance of a Social Security card and Social
- 11 Security number; or
- 12 (ii) that they use as their legal names when they sign
- 13 their names on legal documents;
- 14 if the applicant is not an individual; and
- 15 (4) either:
- 16 (A) the last five (5) digits of the applicant's Social Security
- 17 number and the last five (5) digits of the Social Security
- 18 number of the applicant's spouse (if any); or
- 19 (B) if the applicant or the applicant's spouse (if any) does
- 20 not have a Social Security number, any of the following for
- 21 that individual:
- 22 (i) The last five (5) digits of the individual's driver's
- 23 license number.
- 24 (ii) The last five (5) digits of the individual's state
- 25 identification card number.
- 26 (iii) The last five (5) digits of a preparer tax
- 27 identification number that is obtained by the individual
- 28 through the Internal Revenue Service of the United
- 29 States.
- 30 (iv) If the individual does not have a driver's license, a
- 31 state identification card, or an Internal Revenue
- 32 Service preparer tax identification number, the last five
- 33 (5) digits of a control number that is on a document
- 34 issued to the individual by the United States
- 35 government.

36 If a form or statement provided to the county auditor under this section,
 37 IC 6-1.1-22-8.1, or IC 6-1.1-22.5-12 includes the telephone number or
 38 part or all of the Social Security number of a party or other number
 39 described in subdivision (4)(B) of a party, the telephone number and
 40 the Social Security number or other number described in subdivision
 41 (4)(B) included are confidential. The statement may be filed in person
 42 or by mail. If the statement is mailed, the mailing must be postmarked

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1 on or before the last day for filing. The statement applies for that first
2 year and any succeeding year for which the deduction is allowed.

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

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

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

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

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

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

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

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

24 the person must file a certified statement with the auditor of the county,
25 notifying the auditor of the person's ineligibility, not more than sixty
26 (60) days after the date of the change in eligibility. A person who fails
27 to file the statement required by this subsection may, under
28 IC 6-1.1-36-17, be liable for any additional taxes that would have been
29 due on the property if the person had filed the statement as required by
30 this subsection plus a civil penalty equal to ten percent (10%) of the
31 additional taxes due. The civil penalty imposed under this subsection
32 is in addition to any interest and penalties for a delinquent payment that
33 might otherwise be due. One percent (1%) of the total civil penalty
34 collected under this subsection shall be transferred by the county to the
35 department of local government finance for use by the department in
36 establishing and maintaining the homestead property data base under
37 subsection (j) and, to the extent there is money remaining, for any other
38 purposes of the department. This amount becomes part of the property
39 tax liability for purposes of this article.

40 (h) The department of local government finance may adopt rules
41 or guidelines concerning the application for a deduction under this
42 section.



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1 (i) This subsection does not apply to property in the first year for
2 which a deduction is claimed under this section if the sole reason that
3 a deduction is claimed on other property is that the individual or
4 married couple maintained a principal residence at the other property
5 on the assessment date in the same year in which an application for a
6 deduction is filed under this section or, if the application is for a
7 homestead that is assessed as personal property, on the assessment date
8 in the immediately preceding year and the individual or married couple
9 is moving the individual's or married couple's principal residence to the
10 property that is the subject of the application. Except as provided in
11 subsection (l), the county auditor may not grant an individual or a
12 married couple a deduction under this section if:

13 (1) the individual or married couple, for the same year, claims
14 the deduction on two (2) or more different applications for the
15 deduction; and

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

17 (j) The department of local government finance shall provide
18 secure access to county auditors to a homestead property data base that
19 includes access to the homestead owner's name and the numbers
20 required from the homestead owner under subsection (e)(4) for the sole
21 purpose of verifying whether an owner is wrongly claiming a deduction
22 under this chapter or a credit under IC 6-1.1-20.4, IC 6-1.1-20.6, or
23 IC 6-3.6-5 (before its expiration). Each county auditor shall submit data
24 on deductions applicable to the current tax year on or before March 15
25 of each year in a manner prescribed by the department of local
26 government finance.

27 (k) A county auditor may require an individual to provide evidence
28 proving that the individual's residence is the individual's principal place
29 of residence as claimed in the certified statement filed under subsection
30 (e). The county auditor may limit the evidence that an individual is
31 required to submit to a state income tax return, a valid driver's license,
32 or a valid voter registration card showing that the residence for which
33 the deduction is claimed is the individual's principal place of residence.
34 The county auditor may not deny an application filed under section 44
35 of this chapter because the applicant does not have a valid driver's
36 license or state identification card with the address of the homestead
37 property. The department of local government finance shall work with
38 county auditors to develop procedures to determine whether a property
39 owner that is claiming a standard deduction or homestead credit is not
40 eligible for the standard deduction or homestead credit because the
41 property owner's principal place of residence is outside Indiana.

42 (l) A county auditor shall grant an individual a deduction under

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1 this section regardless of whether the individual and the individual's
 2 spouse claim a deduction on two (2) different applications and each
 3 application claims a deduction for different property if the property
 4 owned by the individual's spouse is located outside Indiana and the
 5 individual files an affidavit with the county auditor containing the
 6 following information:

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

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

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

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

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

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

29 (m) If:

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

33 (2) the county auditor receiving the filed statement determines
 34 that the property owner's property is not eligible for the
 35 deduction;

36 the county auditor shall inform the property owner of the county
 37 auditor's determination in writing. If a property owner's property is not
 38 eligible for the deduction because the county auditor has determined
 39 that the property is not the property owner's principal place of
 40 residence, the property owner may appeal the county auditor's
 41 determination as provided in IC 6-1.1-15. The county auditor shall
 42 inform the property owner of the owner's right to appeal when the



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1 county auditor informs the property owner of the county auditor's
2 determination under this subsection.

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

5 (1) either:
6 (A) the individual's interest in the homestead as described
7 in subsection (a)(2)(B) is conveyed to the individual after
8 the assessment date, but within the calendar year in which
9 the assessment date occurs; or

10 (B) the individual contracts to purchase the homestead after
11 the assessment date, but within the calendar year in which
12 the assessment date occurs;

13 (2) on the assessment date:
14 (A) the property on which the homestead is currently
15 located was vacant land; or

16 (B) the construction of the dwelling that constitutes the
17 homestead was not completed; and

18 (3) either:
19 (A) the individual files the certified statement required by
20 subsection (e); or

21 (B) a sales disclosure form that meets the requirements of
22 section 44 of this chapter is submitted to the county assessor
23 on or before December 31 of the calendar year for the
24 individual's purchase of the homestead.

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

36 (o) This subsection applies to an application for the deduction
37 provided by this section that is filed for an assessment date occurring
38 after December 31, 2013. Notwithstanding any other provision of this
39 section, an individual buying a mobile home that is not assessed as real
40 property or a manufactured home that is not assessed as real property
41 under a contract providing that the individual is to pay the property
42 taxes on the mobile home or manufactured home is not entitled to the

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1 deduction provided by this section unless the parties to the contract
2 comply with IC 9-17-6-17.

3 (p) This subsection:

4 (1) applies to an application for the deduction provided by this
5 section that is filed for an assessment date occurring after
6 December 31, 2013; and

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

8 The owner of a mobile home that is not assessed as real property or a
9 manufactured home that is not assessed as real property must attach a
10 copy of the owner's title to the mobile home or manufactured home to
11 the application for the deduction provided by this section.

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

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

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

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

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

41 (r) As used in this section, "homestead" includes property that
42 satisfies each of the following requirements:



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1 (1) The property is located in Indiana and consists of a dwelling
 2 and includes up to one (1) acre of land immediately surrounding
 3 that dwelling, and any of the following improvements:

4 (A) Any number of decks, patios, gazebos, or pools.

5 (B) One (1) additional building that is not part of the
 6 dwelling if the building is predominately used for a
 7 residential purpose and is not used as an investment
 8 property or as a rental property.

9 (C) One (1) additional residential yard structure other than
 10 a deck, patio, gazebo, or pool.

11 (2) The property is the principal place of residence of an
 12 individual.

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

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

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

19 SECTION ~~<15>~~ [34. IC 6-1.1-12-43, AS AMENDED BY
 20 P.L.230-2025, SECTION 37, AND AS AMENDED BY P.L.186-2025,
 21 SECTION 292, AND AS AMENDED BY THE TECHNICAL
 22 CORRECTIONS BILL OF THE 2026 GENERAL ASSEMBLY, IS
 23 CORRECTED AND AMENDED TO READ AS FOLLOWS
 24 [EFFECTIVE JANUARY 1, 2026 (RETROACTIVE)]: Sec. 43. (a) For
 25 purposes of this section:

26 (1) "benefit" refers to a deduction under section 9 (before its
 27 expiration), 11 (before its expiration), 13 (before its expiration),
 28 14, (before its expiration); 16 (before its expiration), 17.4
 29 (before its expiration), 26 (before its expiration), 29 (before its
 30 expiration), 33 (before its expiration), 34 (before its expiration),
 31 37, or 37.5 of this chapter;

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

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

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

36 (A) first lien purchase money mortgage transaction; or

37 (B) refinancing transaction.

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

41 (c) Before June 1, 2004, The department of local government
 42 finance shall prescribe the form to be provided by closing agents to



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1 customers under subsection (b). The department shall make the form
 2 available to closing agents, county assessors, county auditors, and
 3 county treasurers in hard copy and electronic form. County assessors,
 4 county auditors, and county treasurers shall make the form available to
 5 the general public. The form must:

6 (1) on one (1) side:

7 (A) list each benefit; and

8 (B) list the eligibility criteria for each benefit;

9 (2) on the other side indicate:

10 (A) each action by and each type of documentation from the
 11 customer required to file for each benefit; and

12 (B) sufficient instructions and information to permit a party
 13 to terminate a standard deduction under section 37 of this
 14 chapter on any property on which the party or the spouse of
 15 the party will no longer be eligible for the standard
 16 deduction under section 37 of this chapter after the party or
 17 the party's spouse begins to reside at the property that is the
 18 subject of the closing, including an explanation of the tax
 19 consequences and applicable penalties, if a party unlawfully
 20 claims a standard deduction under section 37 of this
 21 chapter; and

22 (3) be printed in one (1) of two (2) or more colors prescribed by
 23 the department of local government finance that distinguish the
 24 form from other documents typically used in a closing referred
 25 to in subsection (b).

26 (d) A closing agent:

27 (1) may reproduce the form referred to in subsection (c);

28 (2) in reproducing the form, must use a print color prescribed by
 29 the department of local government finance; and

30 (3) is not responsible for the content of the form referred to in
 31 subsection (c) and shall be held harmless by the department of
 32 local government finance from any liability for the content of the
 33 form.

34 (e) This subsection applies to a transaction that is closed after
 35 December 31, 2009. In addition to providing the customer the form
 36 described in subsection (c) before closing the transaction, a closing
 37 agent shall do the following as soon as possible after the closing, and
 38 within the time prescribed by the department of insurance under
 39 IC 27-7-3-15.5:

40 (1) To the extent determinable, input the information described
 41 in IC 27-7-3-15.5(c)(2) into the system maintained by the
 42 department of insurance under IC 27-7-3-15.5.



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(2) Submit the form described in IC 27-7-3-15.5(c) to the data base described in IC 27-7-3-15.5(c)(2)(D):

(f) A closing agent to which this section applies shall document the closing agent's compliance with this section with respect to each transaction in the form of verification of compliance signed by the customer:

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

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

(2) shall be paid into:

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

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

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

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

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

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

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

(2) impose and collect penalties under subsection (g):

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

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

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



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1 assessment date;

2 (3) the transferee of the real property applies for an exemption

3 under IC 6-1.1-11 for the next succeeding assessment date; and

4 (4) the county property tax assessment board of appeals

5 determines that the real property is exempt from property

6 taxation for that next succeeding assessment date.

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

11 (1) IC 6-1.1-12-1 (before its repeal).

12 (2) IC 6-1.1-12-9 (before its expiration).

13 (3) IC 6-1.1-12-11 (before its expiration).

14 (4) IC 6-1.1-12-13 (before its expiration).

15 (5) IC 6-1.1-12-14.

16 (6) IC 6-1.1-12-16 (before its expiration).

17 (7) IC 6-1.1-12-17.4 (before its expiration).

18 (8) IC 6-1.1-12-18 (before its expiration).

19 (9) IC 6-1.1-12-22 (before its expiration).

20 (10) IC 6-1.1-12-37.

21 (11) IC 6-1.1-12-37.5.

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

27 SECTION 36]. IC 6-1.1-12.6-2, AS ADDED BY P.L.70-2008,
 28 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 29 JANUARY 1, 2026 (RETROACTIVE)]: Sec. 2. (a) This section
 30 applies only to a model residence that is first assessed as:

31 (1) a partially completed structure; or

32 (2) a fully completed structure;

33 for the assessment date in 2009 or a later year.

34 (b) Except as provided in subsection (c) and sections 4, 5, and 6
 35 of this chapter, and subject to sections 7 and 8 of this chapter, an owner
 36 of a model residence is entitled to a deduction from the assessed value
 37 of the model residence in the amount of ~~fifty~~ **seventy-five** percent ~~<=>~~ [
 38 ~~50%~~ **75%**) of the assessed value of the model residence for the
 39 following:

40 (1) Not more than one (1) assessment date for which the model
 41 residence is assessed as a partially completed structure.

42 (2) The assessment date for which the model residence is first



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- 1 assessed as a fully completed structure.
 2 (3) The two (2) assessment dates that immediately succeed the
 3 assessment date referred to in subdivision (2).
 4 (c) A deduction allowed for a model residence under this chapter
 5 for a particular assessment date is terminated if the model residence is
 6 sold:
 7 (1) after the assessment date of that year but before January 1 of
 8 the following year; and
 9 (2) to a person who does not continue to use the real property as
 10 a model residence.

11 The county auditor shall immediately mail notice of the termination to
 12 the former owner, the property owner, and the township assessor. The
 13 county auditor shall remove the deduction from the tax duplicate and
 14 shall notify the county treasurer of the termination of the deduction.

15 SECTION ~~<16>~~ [37]. IC 6-1.1-12.6-4, AS ADDED BY
 16 P.L.70-2008, SECTION 1, IS AMENDED TO READ AS FOLLOWS
 17 [EFFECTIVE JANUARY 1, 2026 (RETROACTIVE)]: Sec. 4. (a)
 18 Subject to section 8 of this chapter, a property owner is entitled to a
 19 deduction under this chapter for an assessment date for not more than
 20 ~~three (3)~~ **seven (7)** ~~<>~~ [] model residences in Indiana.

21 (b) The auditor of a county (referred to in this section as the "first
 22 county") with whom a statement is filed under section 3 of this chapter
 23 shall immediately prepare and transmit a copy of the statement to the
 24 auditor of any other county (referred to in this section as the "second
 25 county") if the property owner that claims the deduction owns or is
 26 buying a model residence located in the second county.

27 (c) The county auditor of the second county shall note on the copy
 28 of the statement whether the property owner has claimed a deduction
 29 for the current year under section 3 of this chapter for a model
 30 residence located in the second county. The county auditor shall then
 31 return the copy of the statement to the auditor of the first county.

32 SECTION ~~<17>~~ [38]. IC 6-1.1-12.6-8, AS ADDED BY
 33 P.L.70-2008, SECTION 1, IS AMENDED TO READ AS FOLLOWS
 34 [EFFECTIVE JANUARY 1, 2026 (RETROACTIVE)]: Sec. 8. The
 35 aggregate number of deductions claimed under this chapter for a
 36 particular assessment date by the owners of model residences who are
 37 a part of an affiliated group may not exceed ~~three (3)~~ **seven (7)**.

38 SECTION ~~<18>~~ [39]. IC 6-1.1-12.8-3, AS ADDED BY
 39 P.L.175-2011, SECTION 2, IS AMENDED TO READ AS FOLLOWS
 40 [EFFECTIVE JANUARY 1, 2026 (RETROACTIVE)]: Sec. 3. (a) This
 41 chapter applies only to a residence in inventory that is first assessed as:

- 42 (1) a partially completed structure; or



1 (2) a fully completed structure;
 2 for the assessment date in 2012 or a later year.
 3 (b) Except as provided in subsections (c) and (d) and sections 5
 4 and 6 of this chapter, and subject to section 7 of this chapter, a
 5 residential builder that is the owner of a residence in inventory is
 6 entitled to a deduction from the assessed value of the residence in
 7 inventory in the amount of ~~fifty~~ **seventy-five** percent (~~50%~~) (**75%**) of
 8 the assessed value of the residence in inventory for the following:
 9 (1) Not more than one (1) assessment date for which the
 10 residence in inventory is assessed as a partially completed
 11 structure.
 12 (2) The assessment date for which the residence in inventory is
 13 first assessed as a fully completed structure.
 14 (3) The two (2) assessment dates that immediately succeed the
 15 assessment date referred to in subdivision (2).
 16 (c) A deduction allowed for a residence in inventory under this
 17 chapter for a particular assessment date is terminated if title to the
 18 residence in inventory is transferred:
 19 (1) after the assessment date of that year but before January 1 of
 20 the following year; and
 21 (2) to a person for whom the real property does not qualify as a
 22 residence in inventory.
 23 The county auditor shall immediately mail notice of the termination to
 24 the former owner, the property owner, and the township assessor (or the
 25 county assessor if there is no township assessor for the township). The
 26 county auditor shall remove the deduction from the tax duplicate and
 27 shall notify the county treasurer of the termination of the deduction.
 28 (d) A deduction for a residence in inventory under this chapter
 29 does not apply for a particular assessment date if the residence in
 30 inventory is leased for any purpose for any part of the calendar year in
 31 which the assessment date occurs.
 32 SECTION ~~<19>~~ **[40]**. IC 6-1.1-12.8-4, AS AMENDED BY
 33 P.L.136-2024, SECTION 19, IS AMENDED TO READ AS
 34 FOLLOWS [EFFECTIVE JANUARY 1, 2026 (RETROACTIVE)]:
 35 Sec. 4. (a) A property owner that qualifies for the deduction under this
 36 chapter and that desires to receive the deduction for a calendar year
 37 must complete and date a statement containing the information
 38 required by subsection (b) and file the statement with the county
 39 auditor on or before January 15 of the immediately succeeding calendar
 40 year. The township assessor, or the county assessor if there is no
 41 township assessor for the township, shall verify each statement filed
 42 under this section, and the county auditor shall:

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1 (1) make the deductions; and
 2 (2) notify the county property tax assessment board of appeals of
 3 all deductions approved;
 4 under this section.
 5 (b) The statement referred to in subsection (a) must be verified
 6 under penalties for perjury and must contain the following information:
 7 (1) The assessed value of the real property for which the person
 8 is claiming the deduction.
 9 (2) The full name and complete business address of the person
 10 claiming the deduction.
 11 (3) The complete address and a brief description of the real
 12 property for which the person is claiming the deduction.
 13 (4) The name of any other county in which the person has
 14 applied for a deduction under this chapter for that assessment
 15 date.
 16 (5) The complete address and a brief description of any other
 17 real property for which the person has applied for a deduction
 18 under this chapter for that assessment date.
 19 (6) An affirmation by the owner that the owner is receiving not
 20 more than ~~three (3)~~ **seven (7)** deductions under this chapter,
 21 including the deduction being applied for by the owner, either:
 22 (A) as the owner of the residence in inventory; or
 23 (B) as an owner that is part of an affiliated group.
 24 (7) An affirmation that the real property has not been leased and
 25 will not be leased for any purpose during the term of the
 26 deduction.
 27 SECTION ~~20~~ **[41]**. IC 6-1.1-12.8-9, AS ADDED BY
 28 P.L.175-2011, SECTION 2, IS AMENDED TO READ AS FOLLOWS
 29 [EFFECTIVE JANUARY 1, 2026 (RETROACTIVE)]: Sec. 9. (a)
 30 Subject to section 10 of this chapter, a property owner is entitled to a
 31 deduction under this chapter for an assessment date for not more than
 32 ~~three (3)~~ **seven (7)** ~~residences~~ **[]**residences in inventory in Indiana.
 33 (b) The auditor of a county (referred to in this section as the "first
 34 county") with whom a statement is filed under section 4 of this chapter
 35 shall immediately prepare and transmit a copy of the statement to the
 36 auditor of any other county (referred to in this section as the "second
 37 county") if the property owner that claims the deduction owns or is
 38 buying a residence in inventory located in the second county.
 39 (c) The county auditor of the second county shall note on the copy
 40 of the statement whether the property owner has claimed a deduction
 41 for the current year under section 4 of this chapter for a residence in
 42 inventory located in the second county. The county auditor shall then

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1 return the copy of the statement to the auditor of the first county.

2 SECTION ~~41~~[42]. IC 6-1.1-12.8-10, AS ADDED BY
3 P.L.175-2011, SECTION 2, IS AMENDED TO READ AS FOLLOWS
4 [EFFECTIVE JANUARY 1, 2026 (RETROACTIVE)]: Sec. 10. The
5 aggregate number of deductions claimed under this chapter for a
6 particular assessment date by the owners of residences in inventory
7 who are a part of an affiliated group may not exceed ~~three (3)~~: **seven**
8 **(7)**.

9 SECTION ~~42~~[43]. IC 6-1.1-17-1, AS AMENDED BY
10 P.L.230-2025, SECTION 41, IS AMENDED TO READ AS
11 FOLLOWS [EFFECTIVE JANUARY 1, 2026 (RETROACTIVE)]:
12 Sec. 1. (a) On or before August 1 of each year, the county auditor shall
13 submit a certified statement of the assessed value for the ensuing year
14 to the department of local government finance in the manner prescribed
15 by the department.

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

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

28 (1) September 1;

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

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

35 (d) Before the county auditor makes an amendment under
36 subsection (c), the county auditor must provide ~~an opportunity~~
37 ~~for public comment on the proposed amendment~~
38 ~~at a public hearing.~~ ~~The county auditor must~~
39 ~~give notice of the hearing under IC 5-3-1.~~ give notice of the hearing
40 under IC 5-3-1. written notice of the amendment to the county fiscal
41 body, the department of local government finance, and the fiscal
42 officers of the affected taxing units within the county. If the county

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1 auditor makes the amendment as a result of information provided to the
2 county auditor by an assessor, the county auditor shall also give
3 notice of the ~~public~~ ~~hearing~~ amendment to the assessor.

4 (e) Beginning in 2018, each county auditor shall submit to the
5 department of local government finance parcel level data of certified
6 net assessed values as required by the department. A county auditor
7 shall submit the parcel level data in the manner and format required by
8 the department and according to a schedule determined by the
9 department.

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

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

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

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

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

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

36 SECTION ~~<23. IC 6-1.1-18-28 IS REPEALED>~~ 44.
37 IC 6-1.1-17-5.4, AS AMENDED BY P.L.230-2025, SECTION 42, IS
38 AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1,
39 2026] ~~<: >~~ [Sec. ~~<28. (a) The executive of a township may, upon~~
40 ~~approval by the township fiscal body, submit a petition to the~~
41 ~~department of local government finance for an increase in the~~
42 ~~township's maximum permissible ad valorem property tax levy for its~~

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1 ~~township firefighting and emergency services fund under~~
 2 ~~IC 36-8-13-4(a)(1) or the levies for the township firefighting fund and~~
 3 ~~township emergency services fund described in IC 36-8-13-4~~ [5.4. (a)
 4 Not later than March 2 of each year, the fiscal officer of a political
 5 subdivision shall submit a statement to the department of local
 6 government finance attesting that the political subdivision uploaded
 7 any contract entered into during the immediately preceding year:

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

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

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

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

21 (1) the township has previously submitted a petition, or
 22 petitions, under this section in any year after December 31,
 23 2016;

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

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

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

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

37 (b) The executive of a township may, upon approval by the
 38 township fiscal body, submit a petition to the department of local
 39 government finance for an increase in the township's maximum
 40 permissible ad valorem property tax levy for its township firefighting
 41 and emergency services fund under IC 36-8-13-4(a)(1) or the levies for
 42 the township firefighting fund and township emergency services fund



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1 described in IC 36-8-13-4](a)(2), as applicable, for property
 2 taxes for any year for which a petition is
 3 submitted under this section.
 4 (b) ~~If the township submits a petition as provided in subsection~~
 5 ~~(a) before April 1 of a year, the department of local government finance~~
 6 ~~shall increase the township's maximum permissible ad valorem~~
 7 ~~property tax levy for the township firefighting and emergency services~~
 8 ~~fund under IC 36-8-13-4(a)(1) or the combined levies for the township~~
 9 ~~firefighting fund and township emergency services fund described in~~
 10 ~~IC 36-8-13-4~~ [(c) Subject to subsection (e), if the township submits
 11 a petition as provided in subsection (a) (b) before April June 1 of a
 12 year, the department of local government finance shall increase the
 13 township's maximum permissible ad valorem property tax levy for the
 14 township firefighting and emergency services fund under
 15 IC 36-8-13-4(a)(1) or the combined levies for the township firefighting
 16 fund and township emergency services fund described in
 17 IC 36-8-13-4](a)(2), as applicable, for property taxes
 18 first due and payable in the immediately
 19 succeeding year by using the following formula
 20 for purposes of subsection ~~(e)(2)~~: [(d)(2):]
 21 STEP ONE: Determine the percentage increase
 22 in the population, as determined by the
 23 township fiscal body and as may be
 24 prescribed by the department of local
 25 government finance, that is within the fire
 26 protection and emergency services area of
 27 the township during the ten (10) year
 28 period immediately preceding the year in
 29 which the petition is submitted under
 30 subsection ~~(a)~~: [(b).]The township fiscal body
 31 may use the most recently available
 32 population data issued by the Bureau of
 33 the Census during the ten (10) year period
 34 immediately preceding the petition.
 35 STEP TWO: Determine the greater of zero
 36 (0) or the result of:
 37 (A) the STEP ONE percentage; minus
 38 (B) six percent (6%);
 39 expressed as a decimal.
 40 STEP THREE: Determine a rate that is the
 41 lesser of:
 42 (A) fifteen-hundredths (0.15); or

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1 ◇(B) ◇the ◇STEP ◇TWO ◇result.
 2 ◇STEP ◇FOUR: ◇Reduce ◇the ◇STEP ◇THREE ◇rate
 3 ◇by ◇any ◇rate ◇increase ◇in ◇the ◇township's
 4 ◇property ◇tax ◇rate ◇or ◇rates ◇for ◇its ◇township
 5 ◇firefighting ◇and ◇emergency ◇services ◇fund,
 6 ◇township ◇firefighting ◇fund, ◇or ◇township
 7 ◇emergency ◇services ◇fund, ◇as ◇applicable, ◇within
 8 ◇the ◇immediately ◇preceding ◇ten ◇(10) ◇year
 9 ◇period ◇that ◇was ◇made ◇based ◇on ◇a ◇petition
 10 ◇submitted ◇by ◇the ◇township ◇under ◇this ◇section.

11 (e) ◇(d) The ◇township's ◇maximum ◇permissible ◇ad
 12 ◇valorem ◇property ◇tax ◇levy ◇for ◇its ◇township
 13 ◇firefighting ◇and ◇emergency ◇services ◇fund ◇under
 14 ~~IC 36-8-13-4~~ [IC 36-8-13-4](a)(1) ◇or ◇the ◇combined ◇levies
 15 ◇for ◇the ◇township ◇firefighting ◇fund ◇and ◇township
 16 ◇emergency ◇services ◇fund ◇described ◇in ~~IC 36-8-13-4~~ [
 17 IC 36-8-13-4](a)(2) ◇for ◇property ◇taxes ◇first ◇due ◇and
 18 ◇payable ◇in ◇a ◇given ◇year, ◇as ◇adjusted ◇under ◇this
 19 ◇section, ◇shall ◇be ◇calculated ◇as:

20 ◇(1) ◇the ◇amount ◇of ◇the ◇ad ◇valorem ◇property
 21 ◇tax ◇levy ◇increase ◇for ◇the ◇township ◇firefighting
 22 ◇and ◇emergency ◇services ◇fund ◇under
 23 ~~IC 36-8-13-4~~ [IC 36-8-13-4](a)(1) ◇or ◇the ◇combined
 24 ◇levies ◇for ◇the ◇township ◇firefighting ◇fund ◇and
 25 ◇township ◇emergency ◇services ◇fund ◇described
 26 ◇in ~~IC 36-8-13-4~~ [IC 36-8-13-4](a)(2), ◇as ◇applicable,
 27 ◇without ◇regard ◇to ◇this ◇section; ◇plus

28 ◇(2) ◇an ◇amount ◇equal ◇to ◇the ◇result ◇of:
 29 ◇(A) ◇the ◇rate ◇determined ◇under ◇the
 30 ◇formula ◇in ◇subsection ~~(b)~~; ◇(c); ◇multiplied ◇by
 31 ◇(B) ◇the ◇net ◇assessed ◇value ◇of ◇the ◇fire
 32 ◇protection ◇and ◇emergency ◇services ◇area
 33 ◇divided ◇by ◇one ◇hundred ◇(100).

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

40 — ~~SECTION 24~~ [thereafter.

41 (e) Notwithstanding the rate limitation in STEP THREE of
 42 subsection (c), a township may submit a petition under subsection

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(b) to increase 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 first due and payable in the immediately succeeding year as determined under the formula under subsection (c), subject to the following:

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

(A) the STEP TWO result in subsection (c); multiplied by

(B) eight-tenths (0.8).

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

(A) its township firefighting and emergency services fund under IC 36-8-13-4(a)(1); or

(B) the levies for the township firefighting fund and township emergency services fund described in IC 36-8-13-4(a)(2);

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

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

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

STEP ONE: Determine the sum of:

(A) the rate certified by the department of local government finance for the current year for the township's:

(i) township firefighting and emergency services fund under IC 36-8-13-4(a)(1); or

(ii) the levies for the township firefighting fund and township emergency services fund described in IC 36-8-13-4(a)(2);

as applicable; plus

(B) the amount determined under STEP THREE of subsection (c).

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

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

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

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

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

- (A) the STEP ONE percentage, minus**
- (B) six percent (6%);**

expressed as a decimal.

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

- (A) fifteen-hundredths (0.15); or**
- (B) the STEP TWO result.**

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

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

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

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

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

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

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

10 SECTION ~~<25>~~ [47]. IC 6-1.1-18-29.5 IS REPEALED
11 [EFFECTIVE JULY 1, 2026]. Sec. 29.5: (a) The executive of a unit
12 serving as the provider unit of a fire protection territory may, upon
13 approval by the provider unit's fiscal body, submit a petition to the
14 department of local government finance for an increase in the fire
15 protection territory's maximum permissible ad valorem property tax
16 levy for its fire protection territory fund under IC 36-8-19-8 for
17 property taxes first due and payable in 2023 or for any year thereafter
18 for which a petition is submitted under this section.

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

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

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

36 (A) the STEP ONE percentage; minus

37 (B) six percent (6%);

38 expressed as a decimal.

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

40 (A) fifteen-hundredths (0.15); or

41 (B) the STEP TWO result.

42 STEP FOUR: Reduce the STEP THREE rate by any rate



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1 increase in the fire protection territory's property tax rate for its
2 fire protection territory fund within the immediately preceding
3 ten (10) year period that was made based on a petition submitted
4 by the fire protection territory under this section.

5 (c) The fire protection territory's maximum permissible ad valorem
6 property tax levy for its fire protection territory fund under
7 IC 36-8-19-8 for property taxes first due and payable in a given year;
8 as adjusted under this section, shall be calculated as:

9 (1) the amount of the ad valorem property tax levy increase for
10 the fire protection territory fund without regard to this section;
11 plus

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

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

15 (B) the net assessed value of the fire protection territory
16 area divided by one hundred (100).

17 The calculation under this subsection shall be used in the determination
18 of the fire protection territory's maximum permissible ad valorem
19 property tax levy under IC 36-8-19-8 for property taxes first due and
20 payable in the first year of the increase and thereafter.

21 SECTION ~~26~~[48]. IC 6-1.1-18.5-7, AS AMENDED BY
22 P.L.159-2020, SECTION 32, IS AMENDED TO READ AS
23 FOLLOWS [EFFECTIVE ~~JULY 1, 2026~~[UPON PASSAGE]]: Sec.

24 7. (a) A civil taxing unit is not subject to the levy limits imposed by
25 section 3 of this chapter for an ensuing calendar year if the civil taxing
26 unit did not adopt an ad valorem property tax levy for the immediately
27 preceding calendar year. **exist as of January 1 in the calendar year**
28 **that immediately precedes the ensuing calendar year.**

29 (b) If under subsection (a) a civil taxing unit is not subject to the
30 levy limits imposed under section 3 of this chapter for an ensuing
31 calendar year, the civil taxing unit shall, ~~before June 30 of in the~~
32 ~~immediately preceding year, refer its proposed~~ **adopt its** budget, ad
33 valorem property tax levy, and property tax rate for the ensuing
34 calendar year ~~to and file the adopted budget, ad valorem property~~
35 **tax levy, and property tax rate with** the department of local
36 government finance **as required by IC 6-1.1-17-5.** The department of
37 local government finance shall ~~make a final determination of review~~
38 ~~<~~ **[]** the civil taxing unit's budget, ad valorem property tax levy, and
39 property tax rate for the ensuing calendar year **to ensure the adopted**
40 **budget is fundable based on the civil taxing unit's adopted tax levy**
41 **and estimates of available revenues. If the adopted budget is**
42 **fundable, the department of local government finance shall certify**

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1 **the adopted ad valorem property tax levy for the ensuing calendar**
 2 **year.** However, a civil taxing unit may not impose a property tax levy
 3 for an ensuing calendar year if the unit did not exist as of January 1 of
 4 the immediately preceding year.

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

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

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

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

34 (b) Subject to subsection (c), the executive of a township
 35 described in subsection (a) may, after approval by the fiscal body
 36 of the township, and before August 1, 2026, submit a petition to the
 37 department of local government finance requesting an increase in
 38 the township's maximum permissible ad valorem property tax levy
 39 for property taxes first due and payable in 2027.

40 (c) Before the fiscal body of the township may approve a
 41 petition under subsection (b), the fiscal body of the township shall
 42 hold a public hearing on the petition. The fiscal body shall give



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1 notice of the public hearing under IC 5-3-1. At the public hearing,
 2 the fiscal body shall make available to the public the following:

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

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

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

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

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

20 (e) The township's maximum permissible ad valorem property
 21 tax levy for property taxes first due and payable in 2027, as
 22 adjusted under this section, shall be used in the determination of
 23 the township's maximum permissible ad valorem property tax levy
 24 under IC 6-1.1-18.5 for property taxes first due and payable in
 25 2028 and thereafter.

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

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

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

33 (2) "mobile home" has the meaning set forth in IC 16-41-27-4.

34] SECTION ~~28~~[52]. IC 6-1.1-20.6-3, AS AMENDED BY
 35 P.L.68-2025, SECTION 73, IS AMENDED TO READ AS FOLLOWS
 36 [EFFECTIVE JANUARY 1, 2026 (RETROACTIVE)]: Sec. 3. As used
 37 in this chapter, "property tax liability" means, for purposes of:

38 (1) this chapter, other than section 7.7 or 8.5 of this chapter,
 39 liability for the tax imposed on property under this article
 40 determined after application of all credits and deductions under
 41 this article or IC 6-3.6, except the credit granted by section 7 or
 42 7.5 of this chapter, but does not include any interest or penalty



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1 imposed under this article;

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

8 (3) section 7.7 of this chapter, liability for the tax imposed on
9 property under this article determined after application of all
10 credits and deductions under this article or IC 6-3.6, including
11 the credit granted by section 7 or 7.5 of this chapter, but not
12 including **the credit granted under IC 6-3.6-6-3.1**, the credits
13 granted under section 7.7 or 8.5 of this chapter or any interest or
14 penalty imposed under this article.

15 SECTION ~~<29>~~ [53]. IC 6-1.1-20.6-9.5, AS AMENDED BY
16 P.L.272-2019, SECTION 2, IS AMENDED TO READ AS FOLLOWS
17 [EFFECTIVE JANUARY 1, 2025 (RETROACTIVE)]: Sec. 9.5. (a)
18 This section applies only to credits under this chapter against property
19 taxes first due and payable after December 31, 2006.

20 (b) The application of the credit under this chapter, ~~<>~~ [
21 **IC 6-1.1-49, or IC 6-1.1-51.3** results in a reduction of the property tax
22 collections of each political subdivision in which the credit is applied.
23 Except as provided in IC 20-46-1 and IC 20-46-9, a political
24 subdivision may not increase its property tax levy to make up for that
25 reduction.

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

29 SECTION ~~<30>~~ [54]. IC 6-1.1-20.6-9.8, AS AMENDED BY
30 P.L.9-2024, SECTION 171, IS AMENDED TO READ AS FOLLOWS
31 [EFFECTIVE ~~<JULY>~~ [JANUARY] 1, 2026 [(RETROACTIVE)]]:
32 Sec. 9.8. (a) This section applies to property taxes first due and payable
33 after December 31, 2009.

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

- 35 (1) "Debt service obligations of a political subdivision" refers to:
36 (A) the principal and interest payable during a calendar year
37 on bonds; and
38 (B) lease rental payments payable during a calendar year on
39 leases;

40 of a political subdivision payable from ad valorem property
41 taxes.

42 (2) "Protected taxes" refers to the following:

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

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1 limited to the amount necessary for the fund receiving protected taxes
 2 to receive the revenue specified under subsection (c). The amount
 3 transferred shall be specifically identified as a debt service obligation
 4 transfer for each affected fund.

5 SECTION ~~31~~[55]. IC 6-1.1-20.6-9.9, AS AMENDED BY
 6 P.L.236-2023, SECTION 39, IS AMENDED TO READ AS
 7 FOLLOWS [EFFECTIVE ~~JULY~~[JANUARY] 1, 2026[
 8 (RETROACTIVE)]: Sec. 9.9. (a) This subsection applies to credits
 9 allocated before January 1, 2024. If:

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

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

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

18 (2) the school corporation's:

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

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

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

25 (b) This subsection applies to credits allocated after December 31,
 26 2023. A school corporation is not eligible to allocate credits
 27 proportionately under this section, if a school corporation after July 1,
 28 2023, issues new bonds or enters into a new lease rental agreement for
 29 which the school corporation is imposing or will impose a debt service
 30 levy other than:

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

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

36 (c) Subject to subsection (a) (before January 1, 2024) and
 37 subsection (b) (after December 31, 2023), a school corporation is
 38 eligible to allocate credits proportionately under this section for 2019,
 39 2020, 2021, 2022, 2023, 2024, 2025, or 2026 if the school corporation's
 40 percentage computed under this subsection is at least ten percent (10%)
 41 for its operations fund levy as certified by the department of local
 42 government finance. A school corporation shall compute its percentage



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- 1 under this subsection as determined under the following formula:
- 2 STEP ONE: Determine the amount of credits granted under this
- 3 chapter against the school corporation's levy for the school
- 4 corporation's operations fund.
- 5 STEP TWO: Determine the amount of the school corporation's
- 6 levy that is attributable to new debt incurred after June 30, 2019,
- 7 but is not attributable to the debt service levy described in
- 8 subsection (a)(1)(B) (before January 1, 2024) or subsection
- 9 (b)(2) (after December 31, 2023).
- 10 STEP THREE: Determine the result of the school corporation's
- 11 total levy minus any referendum levy.
- 12 STEP FOUR: Subtract the STEP TWO amount from the STEP
- 13 THREE amount.
- 14 STEP FIVE: Divide the STEP FOUR amount by the STEP
- 15 THREE amount expressed as a percentage.
- 16 STEP SIX: Multiply the STEP ONE amount by the STEP FIVE
- 17 percentage.
- 18 STEP SEVEN: Determine the school corporation's levy for the
- 19 school corporation's operations fund.
- 20 STEP EIGHT: Divide the STEP SIX amount by the STEP
- 21 SEVEN amount expressed as a percentage.

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

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

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

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- 1 STEP ONE: Determine the product of:
 2 (A) the percentage determined under STEP EIGHT of
 3 subsection (c); multiplied by
 4 (B) five (5).
 5 STEP TWO: Determine the lesser of the STEP ONE percentage
 6 or one hundred percent (100%).
 7 STEP THREE: Determine the product of:
 8 (A) the amount determined under STEP SIX of subsection
 9 (c); multiplied by
 10 (B) the STEP TWO percentage.

11 The school corporation may allocate the amount of credits determined
 12 under STEP THREE proportionately under this section. The
 13 department of local government finance shall include in its certification
 14 of an eligible school corporation under subsection (d) the amount of
 15 credits that the school corporation may allocate proportionately as
 16 determined under this subsection.

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

18 SECTION ~~32~~[56]. IC 6-1.1-21.2-4, AS AMENDED BY
 19 P.L.146-2008, SECTION 232, IS AMENDED TO READ AS
 20 FOLLOWS [EFFECTIVE ~~JULY 1, 2026~~[UPON PASSAGE]]: Sec.
 21 4. As used in this chapter, "base assessed value" means the base
 22 assessed value as that term is defined or used in:

- 23 (1) ~~IC 6-1.1-39-5(h)~~; **IC 6-1.1-39-5(i)**;
 24 (2) IC 8-22-3.5-9(a);
 25 (3) IC 8-22-3.5-9.5;
 26 (4) IC 36-7-14-39(a);
 27 (5) IC 36-7-14-39.2;
 28 (6) IC 36-7-14-39.3(c);
 29 (7) IC 36-7-14-48;
 30 (8) IC 36-7-14.5-12.5;
 31 (9) IC 36-7-15.1-26(a);
 32 (10) IC 36-7-15.1-26.2(c);
 33 (11) IC 36-7-15.1-35(a);
 34 (12) IC 36-7-15.1-35.5;
 35 (13) IC 36-7-15.1-53;
 36 (14) IC 36-7-15.1-55(c);
 37 (15) IC 36-7-30-25(a)(2);
 38 (16) IC 36-7-30-26(c);
 39 (17) IC 36-7-30.5-30; or
 40 (18) IC 36-7-30.5-31.

41 SECTION ~~33~~[57]. IC 6-1.1-21.2-7, AS AMENDED BY
 42 P.L.146-2008, SECTION 236, IS AMENDED TO READ AS



1 FOLLOWS [EFFECTIVE ~~<JULY 1, 2026>~~ [UPON PASSAGE]]: Sec.
 2 7. As used in this chapter, "property taxes" means:
 3 (1) property taxes, as defined in:
 4 (A) ~~IC 6-1.1-39-5(g)~~; **IC 6-1.1-39-5(h)**;
 5 (B) IC 36-7-14-39(a);
 6 (C) IC 36-7-14-39.2;
 7 (D) IC 36-7-14-39.3(c);
 8 (E) IC 36-7-14.5-12.5;
 9 (F) IC 36-7-15.1-26(a);
 10 (G) IC 36-7-15.1-26.2(c);
 11 (H) IC 36-7-15.1-53(a);
 12 (I) IC 36-7-15.1-55(c);
 13 (J) IC 36-7-30-25(a)(3);
 14 (K) IC 36-7-30-26(c);
 15 (L) IC 36-7-30.5-30; or
 16 (M) IC 36-7-30.5-31; or
 17 (2) for allocation areas created under IC 8-22-3.5, the taxes
 18 assessed on taxable tangible property in the allocation area.
 19 SECTION ~~<34>~~ [58]. IC 6-1. ~~<1-24-3.1IS>~~ [1-22-19, AS] ADDED
 20 ~~<TO THE INDIANA CODE AS A NEW>~~ [BY P.L.230-2025,]
 21 SECTION [50, IS AMENDED] TO READ AS FOLLOWS
 22 [EFFECTIVE ~~<JULY>~~ [JANUARY] 1, 2026 [(RETROACTIVE)]]:
 23 ~~<Sec. 3.1. (a) As used in this section, "common area" has the~~
 24 ~~meaning set forth in IC 6-1.1-10-37.5(a).~~
 25 ~~— (b) As used in this section, "residential development" has the~~
 26 ~~meaning set forth in IC 6-1.1-10-37.5(c).~~
 27 ~~— (c) In addition to the notices required under section 3 of this~~
 28 ~~chapter, if a common area in a residential development is eligible for~~
 29 ~~sale under this chapter, the county auditor shall provide, by certified~~
 30 ~~mail, a copy of the notice required by section 2 of this chapter to the:~~
 31 ~~— (1) executive of a city or town, if the common area is located~~
 32 ~~within the corporate boundaries of a city or town; or~~
 33 ~~— (2) county executive, if the common area is located in the~~
 34 ~~unincorporated area of a county;~~
 35 ~~at least twenty-one (21) days before the date of application for~~
 36 ~~judgment and order for sale.~~
 37 ~~— SECTION 35>~~ [19. (a) This section applies to real property tax
 38 statements provided to taxpayers after December 31, 2025.
 39 (b) In a manner determined by the department of local government
 40 finance, the department of local government finance shall include on
 41 the coupon page of the property tax statement prescribed by the
 42 department of local government finance educational information

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1 regarding the eligibility and procedures for the following deductions
 2 and credit credits available to certain eligible taxpayers:

3 (1) The deduction for a veteran with a partial disability under
 4 IC 6-1.1-12-13 (before its expiration).

5 (2) The deduction for a totally disabled veteran or a veteran who
 6 is at least sixty-two (62) years of age who is partially disabled
 7 under IC 6-1.1-12-14.

8 (3) The deduction for a disabled veteran under IC 6-1.1-12-14.5.

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

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

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

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

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



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1 county executive. I further acknowledge that a person who
 2 knowingly or intentionally provides false information on this
 3 affidavit commits perjury, a Level 6 felony."

4 (b) If a person purchases real property that the person was not
 5 eligible to purchase under section 5.1, 5.3, ~~or 5.4~~, **or 5.9** of this chapter,
 6 the sale of the real property is subject to forfeiture. If the county
 7 treasurer determines or is notified not more than forty-five (45) days
 8 after the date of the sale that the sale of the real property should be
 9 forfeited, the county treasurer shall:

10 (1) not more than five (5) days after the county treasurer is
 11 notified, notify the person in writing by first class mail that the
 12 sale is subject to forfeiture if the person does not pay the
 13 amounts the person owes within fifteen (15) days of the date the
 14 written notice is mailed;

15 (2) if the person does not meet the conditions described in
 16 subdivision (1) within fifteen (15) days after the written notice
 17 is mailed, apply the surplus amount of the person's bid, if any, to
 18 the delinquent taxes, special assessments, penalties, and interest
 19 on the real property;

20 (3) remit the amounts owed from a final adjudication or civil
 21 penalties in favor of a political subdivision to the political
 22 subdivision;

23 (4) notify the county auditor that the sale has been forfeited; and

24 (5) file with the county recorder a certification identifying the
 25 forfeited sale that includes:

26 (A) the date of the sale;

27 (B) the name of the buyer;

28 (C) the property identification number of the real property;

29 (D) the real property's legal description; and

30 (E) a statement that the sale has been forfeited and is null
 31 and void because the buyer was not eligible to purchase the
 32 real property.

33 Upon being notified that a sale has been forfeited, the county auditor
 34 shall issue a certificate to the county executive under section 6 of this
 35 chapter.

36 (c) A county treasurer may decline to forfeit a sale under this
 37 section because of inadvertence or mistake, lack of actual knowledge
 38 by the bidder, substantial harm to other parties with interests in the real
 39 property, or other substantial reasons. If the treasurer declines to forfeit
 40 a sale, the treasurer shall:

41 (1) prepare a written statement explaining the reasons for
 42 declining to forfeit the sale;



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

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

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

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

22 SECTION ~~36~~[60]. IC 6-1.1-24-5.9 IS ADDED TO THE
 23 INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS
 24 [EFFECTIVE JANUARY 1, 2026 (RETROACTIVE)]: **Sec. 5.9. (a) As**
 25 **used in this section, "business entity" refers to any of the following:**

- 26 (1) A sole proprietorship.
- 27 (2) A professional practice.
- 28 (3) An unincorporated association.
- 29 (4) A partnership.
- 30 (5) A limited partnership.
- 31 (6) A limited liability partnership.
- 32 (7) A corporation.
- 33 (8) A professional corporation.
- 34 (9) A limited liability company.
- 35 (10) A trust.
- 36 (11) A business trust.
- 37 (12) A real estate investment trust.
- 38 (13) A fiduciary.
- 39 (14) Any other form of organization permitted under Indiana
 40 law for business purposes.

41 (b) An individual or business entity may not bid or purchase
 42 a tract or item of real property offered for sale under section 5 or

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1 **6.1 of this chapter if:**

2 **(1) the individual; or**

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

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

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

20 (1) a description of real property that corresponds to the
 21 description used on the notice of sale;

22 (2) the name of:

23 (A) the owner of record at the time of the sale of real
 24 property with a single owner; or

25 (B) at least one (1) of the owners of real property with
 26 multiple owners;

27 (3) the mailing address of the owner of the real property sold as
 28 indicated in the records of the county auditor;

29 (4) the name and mailing address of the purchaser;

30 (5) the date of sale;

31 (6) the amount for which the real property was sold;

32 (7) the amount of the minimum bid for which the tract or real
 33 property was offered at the time of sale as required by section 5
 34 of this chapter;

35 (8) the date when the period of redemption specified in
 36 IC 6-1.1-25-4 will expire;

37 (9) the court cause number under which judgment was obtained;
 38 and

39 (10) the street address, if any, or common description of the real
 40 property.

41 (b) When a certificate of sale is issued under this section, the
 42 purchaser acquires a lien against the real property for the entire amount



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1 paid. The lien of the purchaser is superior to all liens against the real
2 property which exist at the time the certificate is issued.

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

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

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

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

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

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

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

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

39 If the real property is not redeemed during the period of redemption,
40 the assignee may petition the court for a tax deed under IC 6-1.1-25-4.6
41 not later than ninety (90) days after the expiration of the period of
42 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 ~~38~~[63]. IC 6-1.1-39-5, AS AMENDED BY
 9 P.L.214-2019, SECTION 22, AND AS AMENDED BY P.L.257-2019,
 10 SECTION 68, IS CORRECTED AND AMENDED TO READ AS
 11 FOLLOWS [EFFECTIVE ~~JULY 1, 2026~~ [UPON PASSAGE]]: Sec.
 12 5. (a) A declaratory ordinance adopted under section 2 of this chapter
 13 and confirmed under section 3 of this chapter must include a provision
 14 with respect to the allocation and distribution of property taxes for the
 15 purposes and in the manner provided in this section. The allocation
 16 provision must apply to the entire economic development district. The
 17 allocation provisions must require that any property taxes subsequently
 18 levied by or for the benefit of any public body entitled to a distribution
 19 of property taxes on taxable property in the economic development
 20 district be allocated and 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
 42 principal of and interest on obligations owed by the unit under



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

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

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

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

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

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

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

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

38 (f) The state board of accounts and department of local
39 government finance shall make the rules and prescribe the forms and
40 procedures that they consider expedient for the implementation of this
41 chapter. After each reassessment of a group of parcels under a
42 reassessment plan prepared under IC 6-1.1-4-4.2 the department of

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

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

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

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

37 If a unit had, by ordinance adopted before May 8, 1987, allocated to an
 38 economic development district property taxes imposed under IC 6-1.1
 39 on depreciable personal property that has a useful life in excess of eight
 40 (8) years, the ordinance continues in effect until an ordinance is
 41 adopted by the unit under subdivision (2).

42 ~~(h)~~ **(i)** As used in this section, "base assessed value" means,

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1 subject to subsection ~~(i)~~: **(j)**:
 2 (1) the net assessed value of all the property as finally
 3 determined for the assessment date immediately preceding the
 4 effective date of the allocation provision of the declaratory
 5 resolution, as adjusted under subsection (f); plus
 6 (2) to the extent that it is not included in subdivision (1), the net
 7 assessed value of property that is assessed as residential property
 8 under the rules of the department of local government finance, ~~<~~
 9 ~~>~~ [] *within the economic development district*, as finally
 10 determined for ~~any the current~~ assessment date. ~~after the~~
 11 ~~effective date of the allocation provision.~~

12 Subdivision (2) applies only to economic development districts
 13 established after June 30, 1997, and to additional areas established
 14 after June 30, 1997.

15 ~~(i)~~ **(j)** If a fiscal body confirms, or modifies and confirms, an
 16 ordinance under section 3 of this chapter and the fiscal body makes
 17 either of the filings required under section 3(d) of this chapter after the
 18 first anniversary of the effective date of the allocation provision in the
 19 ordinance, the auditor of the county in which the unit is located shall
 20 compute the base assessed value for the allocation area using the
 21 assessment date immediately preceding the later of:

- 22 (1) the date on which the documents are filed with the county
 23 auditor; or
 24 (2) the date on which the documents are filed with the
 25 department.

26 SECTION ~~39~~ [64]. IC 6-1.1-41-4, AS AMENDED BY
 27 P.L.38-2021, SECTION 40, IS AMENDED TO READ AS FOLLOWS
 28 [EFFECTIVE JULY 1, 2026]: Sec. 4. (a) A political subdivision that
 29 in any year adopts a proposal under this chapter must submit the
 30 proposal to the department of local government finance:

- 31 (1) before August 2 of that year, for years before 2018; and
 32 (2) before June 1 of that year, for years after 2017.

33 (b) Subject to subsections (c) and (d), the department of local
 34 government finance shall certify to the political subdivision **during the**
 35 **certification process under IC 6-1.1-17-16** that the proposal has a
 36 property tax rate that does not exceed the maximum property tax rate
 37 allowed by the applicable statute described in section 1 of this chapter.
 38 If the proposal has a property tax rate that exceeds the maximum
 39 property tax rate allowed by the applicable statute described in section
 40 1 of this chapter, the department of local government finance shall
 41 certify the proposal at a rate equal to the maximum property tax rate
 42 allowed by the applicable statute under section 1 of this chapter.



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1 (c) The department of local government finance may not decline
2 to certify a proposal under subsection (b) unless the political
3 subdivision fails to submit the proposal before the date described in
4 subsection (a).

5 (d) If a petition is filed pursuant to section 6 of this chapter, the
6 department of local government finance may not certify a proposal
7 under subsection (b) until:

8 (1) a hearing has been conducted under section 7 of this chapter;
9 and

10 (2) a final determination has been made on the petition under
11 section 9 of this chapter.

12 If section 9 of this chapter applies, the department of local government
13 finance may decline to certify the proposal.

14 SECTION ~~40~~ [65. IC 6-1.1-51.3-1, AS ADDED BY
15 P.L.68-2025, SECTION 84, IS AMENDED TO READ AS FOLLOWS
16 [EFFECTIVE JANUARY 1, 2026 (RETROACTIVE)]: Sec. 1. (a) An
17 individual is entitled to a credit against local property taxes imposed on
18 the individual's real property, or mobile home or manufactured home
19 within the county, if:

20 (1) the individual is at least sixty-five (65) years of age on or
21 before December 31 of the calendar year preceding the year in
22 which the credit is claimed;

23 (2) the individual has owned the real property, mobile home, or
24 manufactured home for at least one (1) year before claiming the
25 credit; or the individual has been buying the real property,
26 mobile home, or manufactured home under a contract that
27 provides that the individual is to pay the property taxes on the
28 real property, mobile home, or manufactured home for at least
29 one (1) year before claiming the credit, and the contract or a
30 memorandum of the contract is recorded in the county recorder's
31 office;

32 (3) the individual:

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

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

37 on the date the credit is claimed; and

38 (4) the:

39 (A) individual had, in the case of an individual who filed a
40 single return, adjusted gross income (as defined in Section
41 62 of the Internal Revenue Code) not exceeding sixty
42 thousand dollars (\$60,000);

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1 (B) individual had, in the case of an individual who filed a
 2 joint income tax return with the individual's spouse,
 3 combined adjusted gross income (as defined in Section 62
 4 of the Internal Revenue Code) not exceeding seventy
 5 thousand dollars (\$70,000); or

6 (C) combined adjusted gross income (as defined in Section
 7 62 of the Internal Revenue Code) of the individual and all
 8 other individuals with whom:

9 (i) the individual shares ownership; or

10 (ii) the individual is purchasing the property under a
 11 contract;

12 as joint tenants or tenants in common did not exceed
 13 seventy thousand dollars (\$70,000);

14 for the calendar year preceding by two (2) years the calendar
 15 year in which the property taxes are first due and payable; and
 16 **(5) the individual resides on the real property, mobile home,**
 17 **or manufactured home.**

18 (b) The amount of the credit is equal to one hundred fifty dollars
 19 (\$150).

20 (c) An individual may not be denied the credit provided under this
 21 section because the individual is absent from the real property, mobile
 22 home, or manufactured home while in a nursing home or hospital.

23 (d) For purposes of this section, if real property, a mobile home,
 24 or a manufactured home is owned by:

25 (1) tenants by the entirety;

26 (2) joint tenants; or

27 (3) tenants in common;

28 only one (1) credit may be allowed. However, the age requirement is
 29 satisfied if any one (1) of the tenants is at least sixty-five (65) years of
 30 age.

31 (e) A surviving spouse is entitled to the credit provided by this
 32 section if:

33 (1) the surviving spouse is at least sixty (60) years of age on or
 34 before December 31 of the calendar year preceding the year in
 35 which the credit is claimed;

36 (2) the surviving spouse's deceased husband or wife was at least
 37 sixty-five (65) years of age at the time of a death; and

38 (3) the surviving spouse has not remarried.

39 (f) An individual who has sold real property to another person
 40 under a contract that provides that the contract buyer is to pay the
 41 property taxes on the real property may not claim the credit provided
 42 under this section against that real property.



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

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

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

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

31 (2) the individual received an honorable discharge;

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

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

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

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



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1 (5) the individual:

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

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

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

9 (b) The amount of the credit is equal to two hundred fifty
10 dollars (\$250).

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

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

15 (2) the individual:

16 (A) was killed in action;

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

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

21 and the surviving spouse satisfies the requirement of subsection
22 (a)(5) at the time the credit is claimed. The surviving spouse is
23 entitled to the credit regardless of whether the property for which
24 the credit is claimed was owned by the deceased veteran or the
25 surviving spouse before the deceased veteran's death.

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

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

35 (f) An individual wishing to claim a credit under this section
36 must file a statement, on forms prescribed by the department of
37 local government finance, with the county auditor and provide
38 documentation necessary to substantiate the individual's eligibility
39 for the credit. The statement must be completed and dated on or
40 before January 15 of the calendar year in which the property taxes
41 are first due and payable. The statement may be filed in person or
42 by mail. If mailed, the mailing must be postmarked on or before



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1 the last day for filing. An individual who remains eligible for the
 2 credit in the following year is not required to file a statement to
 3 apply for the credit in the following year. However, an individual
 4 who receives a credit under this section in a particular year and
 5 who becomes ineligible for the credit in the following year shall
 6 notify the auditor of the county in which the homestead is located
 7 of the individual's ineligibility not later than sixty (60) days after
 8 the individual becomes ineligible.

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

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

17 (2) the individual received an honorable discharge;

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

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

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

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

29 (5) the individual:

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

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

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

37 (b) The amount of the credit is equal to three hundred fifty
 38 dollars (\$350).

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



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1 subsection (a)(5) at the time the credit is claimed. The surviving
 2 spouse is entitled to the credit regardless of whether the property
 3 for which the credit is claimed was owned by the deceased veteran
 4 or the surviving spouse before the deceased veteran's death.

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

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

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

30 SECTION 68. IC 6-1.1-51.3-7 IS ADDED TO THE INDIANA
 31 CODE AS A NEW SECTION TO READ AS FOLLOWS
 32 [EFFECTIVE JANUARY 1, 2026 (RETROACTIVE)]: Sec. 7. A trust
 33 is entitled to a credit under section 1, 2, 5, or 6 of this chapter for
 34 real property owned by the trust and occupied by an individual if
 35 the county auditor determines that the individual:

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

38 (A) a beneficial interest in the trust; or

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



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(2) otherwise qualifies for the credit.
SECTION 69. IC 6-2.5-5-29 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 29. (a) As used in this section:

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

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

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

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

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

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

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1 the previous benefit year. The credit under this section decreases to two
 2 hundred dollars (\$200) per covered employee in the second year.

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

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

6 **or**

7 **(2) the following:**

8 **(A) For the taxable year in which the employer**
 9 **establishes the health reimbursement arrangement, four**
 10 **hundred dollars (\$400).**

11 **(B) For the taxable year that immediately follows the**
 12 **taxable year in which the employer establishes the**
 13 **health reimbursement arrangement, two hundred**
 14 **dollars (\$200).**

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

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

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

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

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

33 SECTION 72. IC 6-3.1-38-7, AS ADDED BY P.L.203-2023,
 34 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 35 JANUARY 1, 2026 (RETROACTIVE)]: Sec. 7. (a) The amount of tax
 36 credits granted under this chapter may not exceed ten million dollars
 37 (\$10,000,000) in any taxable calendar year.

38 **(b) The department shall record the time of filing of each return**
 39 **claiming a credit under section 6 of this chapter and shall approve the**
 40 **claims if they otherwise qualify for a tax credit under this chapter, in**
 41 **the chronological order in which the claims are filed in the state fiscal**
 42 **calendar year. The claim of a credit resulting from a pass through**



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1 entity shall be considered to be filed when the pass through entity
 2 files a return for the taxable year.

3 (c) For purposes of calculating the amount of tax credits
 4 granted under this chapter in a calendar year, in the case of a
 5 taxpayer for whom some amount of the credit claimed must be
 6 carried over under section 8 of this chapter, the taxpayer is
 7 considered to have filed a claim for the full amount allowable to the
 8 taxpayer.

9 (c) (d) The department may not approve a claim for a tax credit
 10 after the date on which the total credits approved under this section
 11 equal the maximum amount allowable in a particular state fiscal
 12 calendar year.

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

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

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

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

35 SECTION 74. IC 6-3.6-1-3, AS AMENDED BY P.L.68-2025,
 36 SECTION 93, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 37 JULY 1, 2028]: Sec. 3. (a) Except to the extent that taxes imposed in
 38 a county under or determined under:

- 39 (1) IC 6-3.5-1.1 (repealed);
 40 (2) IC 6-3.5-1.5 (repealed);
 41 (3) IC 6-3.5-6 (repealed); or
 42 (4) IC 6-3.5-7 (repealed);



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

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

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

12 (1) in the case of a resident local taxpayer of Perry County, or a
 13 resident of a municipality located in Perry County in the case
 14 of a local income tax imposed under IC 6-3.6-6-22, the term
 15 does not include adjusted gross income described in
 16 IC 6-3.6-8-7; and

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

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

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

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

35 SECTION 77. IC 6-3.6-2-13, AS AMENDED BY P.L.68-2025,
 36 SECTION 100, IS AMENDED TO READ AS FOLLOWS
 37 [EFFECTIVE JANUARY 1, 2029]: Sec. 13. "Local taxpayer" means
 38 any of the following:

39 (1) As it relates to a particular county (or municipality in the
 40 case of a local income tax imposed under IC 6-3.6-6-22), an
 41 individual who resides in that county (or municipality in the case
 42 of a local income tax imposed under IC 6-3.6-6-22) on the date



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

12 (3) As it relates to a particular county (or municipality in the
 13 case of a local income tax imposed under IC 6-3.6-6-22), and
 14 only for purposes of a rate imposed by a county under
 15 6-3.6-6-2(b)(3), the term includes an individual who:

- 16 (A) has income apportioned to Indiana as:
 - 17 (i) a team member under IC 6-3-2-2.7; or
 - 18 (ii) a race team member under IC 6-3-2-3.2;
- 19 for services rendered in the county (or municipality in the
 20 case of a local income tax imposed under IC 6-3.6-6-22);
 21 and
 22 (B) is not described in subdivision (1). or (2):

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

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

38 SECTION 80]. IC 6-3.6-3-2, AS AMENDED BY P.L.159-2020,
 39 SECTION 54, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 40 JULY 1, 2026]: Sec. 2. (a) An adopting body or, if authorized by this
 41 article, another governmental entity that is not an adopting body, may
 42 take an action under this article only by ordinance, unless this article

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

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

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

35 ~~SECTION 41~~>[
 36 (e) Not later than July 1 of each calendar year, the county
 37 auditor shall certify to the department of local government finance
 38 and to the state GIS officer which taxing units comprise each
 39 taxing district in the county.

40 SECTION 81. IC 6-3.6-3-2.5 IS ADDED TO THE INDIANA
 41 CODE AS A NEW SECTION TO READ AS FOLLOWS
 42 [EFFECTIVE JULY 1, 2027]: Sec. 2.5. (a) As used in this section,

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1 "debt service obligations" refers to:
 2 (1) the principal and interest payable during a calendar year
 3 on bonds;
 4 (2) lease rental payments payable during a calendar year on
 5 leases; and
 6 (3) any amount required under an agreement for bonds or
 7 leases to be deposited in a sinking fund or other reserve
 8 during a calendar year;
 9 of a county, city, or town payable from local income taxes.
 10 (b) Before August 1 of each calendar year, the fiscal officer of
 11 each county, city, and town shall provide the department of local
 12 government finance with the total amount of the county's, city's, or
 13 town's debt service obligations payable from local income tax
 14 revenues that will be due in the ensuing calendar year and, upon
 15 request by the department of local governing finance, any
 16 additional ensuing calendar years.
 17 (c) The department of local government finance shall annually
 18 determine whether each county, city, or town with debt service
 19 obligations due in the ensuing year has timely submitted to the
 20 department of local government finance the information required
 21 under this section.
 22 SECTION 82. IC 6-3.6-3-3, AS AMENDED BY P.L.68-2025,
 23 SECTION 103, IS AMENDED TO READ AS FOLLOWS
 24 [EFFECTIVE JULY 1, 2028]: Sec. 3. (a) Except as provided in
 25 subsection (f), an ordinance adopted by a county under this article takes
 26 effect as provided in this section.
 27 (b) An ordinance that adopts, increases, decreases, or rescinds a
 28 tax or a tax rate takes effect as follows:
 29 (1) An ordinance adopted on or before October 1 of a calendar
 30 year shall take effect on January 1 of the calendar year that
 31 immediately succeeds the year in which the ordinance is
 32 adopted.
 33 (2) An ordinance adopted after October 1 of a calendar year shall
 34 take effect on January 1 of the second succeeding calendar year
 35 following the year the ordinance is adopted.
 36 However, an ordinance adopted to impose a tax rate under
 37 IC 6-3.6-6-2(b)(3) or IC 6-3.6-6-2(b)(4) must be adopted on or before
 38 October 1 of a calendar year.
 39 (c) An ordinance that grants, increases, decreases, rescinds, or
 40 changes a credit against the property tax liability of a taxpayer under
 41 IC 6-3.6-5 (before its expiration) takes effect as follows:
 42 (1) An ordinance adopted after December 31 of the immediately

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1 preceding year and before November 2 of the current year takes
 2 effect on January 1 of, and applies to property taxes first due and
 3 payable in, the year immediately following the year in which the
 4 ordinance is adopted.
 5 (2) An ordinance adopted after November 1 of the current year
 6 and before January 1 of the immediately succeeding year takes
 7 effect on January 1 of, and applies to property taxes first due and
 8 payable in, the year that follows the current year by two (2)
 9 years.
 10 This subsection expires December 31, 2027: 2028.
 11 (d) An ordinance that grants, increases, decreases, rescinds, or
 12 changes a distribution or allocation of taxes takes effect as follows:
 13 (1) An ordinance adopted on or before October 1 of a calendar
 14 year shall take effect on January 1 of the calendar year that
 15 immediately succeeds the year in which the ordinance is
 16 adopted.
 17 (2) An ordinance adopted after October 1 of a calendar year shall
 18 take effect on January 1 of the second succeeding calendar year
 19 following the year the ordinance is adopted.
 20 (e) An ordinance not described in subsections (b) through (d) takes
 21 effect as provided under IC 36 for other ordinances of the
 22 governmental entity adopting the ordinance.
 23 (f) An ordinance described in section 7(e) or 7.5(e) of this chapter
 24 that changes a tax rate or changes the allocation of revenue received
 25 from a tax rate does not take effect as provided under this section if the
 26 county adopting body fails to meet the required deadlines for notice
 27 described in section 7(e) or 7.5(e) of this chapter. If an ordinance does
 28 not take effect, the tax rate or allocation, as applicable, that is subject
 29 to the proposed change in the ordinance shall be the lesser of the:
 30 (1) applicable distribution schedule for the certified distribution
 31 for the upcoming calendar year; or
 32 (2) applicable distribution schedule for the certified distribution
 33 for the current calendar year;
 34 unless, or until, a subsequent ordinance is adopted and the required
 35 deadlines for notice described in section 7(e) or 7.5(e) of this chapter
 36 are met. This subsection expires January 1, 2025.
 37 SECTION 83. IC 6-3.6-3-4, AS AMENDED BY P.L.68-2025,
 38 SECTION 105, IS AMENDED TO READ AS FOLLOWS
 39 [EFFECTIVE JULY 1, 2028]: Sec. 4. (a) Except for a tax rate that has
 40 an expiration date, and except as provided in section 3(f) of this chapter
 41 (before its expiration), a tax rate remains in effect until the effective
 42 date of an ordinance that increases, decreases, or rescinds that tax rate.

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1 (b) A tax rate may not be changed more than once each year under
 2 this article.
 3 (c) A local income tax expenditure tax rate that is imposed in a
 4 county under IC 6-3.6-6 continues in effect after December 31, 2027,
 5 2028, only if the adopting body adopts an ordinance to renew the
 6 expenditure tax rate beginning January 1, 2028: 2029. However, if
 7 there are bonds or leases outstanding that are payable from a tax
 8 imposed under IC 6-3.6-6, the expenditure tax rate for the county
 9 beginning January 1, 2028, under IC 6-3.6-6-2(b)(1) shall be at
 10 least the minimum tax rate necessary to produce one and
 11 twenty-five hundredths (1.25) times the sum of the:
 12 (1) highest annual outstanding debt service;
 13 (2) highest annual lease payments; and
 14 (3) any amount required under the agreements for the bonds
 15 or leases to be deposited in a sinking fund or other reserve;
 16 but only until the maturity date of those debt obligations. An
 17 ordinance under this subsection must be adopted by the adopting body
 18 on or before October 1, 2027, 2028, as set forth in section 3(b)(1) of
 19 this chapter. However, this subsection shall not be construed to prohibit
 20 an adopting body that fails to adopt an ordinance to continue an
 21 expenditure tax rate after December 31, 2027, 2028, from adopting an
 22 ordinance under this article to impose, renew, or modify an expenditure
 23 tax rate under IC 6-3.6-6 beginning January 1, 2029; 2030, or any year
 24 thereafter.
 25 SECTION 84. IC 6-3.6-3-5, AS AMENDED BY P.L.223-2025,
 26 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 27 UPON PASSAGE]: Sec. 5. (a) The auditor of a county shall record all
 28 votes taken on ordinances presented for a vote under this article and
 29 not more than ten (10) days after the vote, send a certified copy of the
 30 results to:
 31 (1) the commissioner of the department of state revenue; and
 32 (2) the commissioner of the department of local government
 33 finance;
 34 in an electronic format approved by the commissioner of the
 35 department of local government finance.
 36 (b) Except as provided in subsection (c), this subsection applies
 37 only to a county that has a local income tax council. The county auditor
 38 may cease sending certified copies after the county auditor sends a
 39 certified copy of results showing that members of the local income tax
 40 council have cast a majority of the votes on the local income tax
 41 council for or against the proposed ordinance.
 42 (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, 2027.
 10 **2028.**

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

- 21 (1) the commissioner of the department of state revenue; and
- 22 (2) the commissioner of the department of local government
- 23 finance;

24 in an electronic format approved by the commissioner of the
 25 department of local government finance.

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

32 *(c) This subsection applies only to a county with a single voting*
 33 *bloc that proposes to increase (but not decrease) a tax rate in the*
 34 *county. The county auditor may cease sending certified copies of the*
 35 *votes on the local income tax council voting as a whole under section*
 36 *9.5 of this chapter after the county auditor sends a certified copy of*
 37 *results showing that the individuals who sit on the fiscal bodies of the*
 38 *county, cities, and towns that are members of the local income tax*
 39 *council have cast a majority of the votes on the local income tax*
 40 *council voting as a whole under section 9.5 of this chapter for or*
 41 *against the proposed ordinance. This subsection expires May 31, 2028.*

42 SECTION 86. IC 6-3.6-3-6, AS AMENDED BY P.L.223-2025,

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1 SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 2 UPON PASSAGE]: Sec. 6. (a) This section applies to a county in
 3 which the county adopting body is a local income tax council.

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

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

11 (d) Each county, city, or town that is a member of a local income
 12 tax council is allocated a percentage of the total one hundred (100)
 13 votes that may be cast. The percentage that a city or town is allocated
 14 for a year equals the same percentage that the population of the city or
 15 town bears to the population of the county. The percentage that the
 16 county is allocated for a year equals the same percentage that the
 17 population of all areas in the county not located in a city or town bears
 18 to the population of the county.

19 (e) This subsection applies only to a county with a single voting
 20 bloc. Each individual who sits on the fiscal body of a county, city, or
 21 town that is a member of the local income tax council is allocated for
 22 a year the number of votes equal to the total number of votes allocated
 23 to the particular county, city, or town under subsection (d) divided by
 24 the number of members on the fiscal body of the county, city, or town.
 25 This subsection expires May 31, 2027: 2028.

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

30 (g) This subsection applies only to a county with a single voting
 31 bloc. On or before January 1 of each year, in addition to the
 32 certification to each member of the local income tax council under
 33 subsection (f), the county auditor shall certify to each individual who
 34 sits on the fiscal body of each county, city, or town that is a member of
 35 the local income tax council the number of votes, rounded to the
 36 nearest one hundredth (0.01), each individual has under subsection (e)
 37 for that year. This subsection expires May 31, 2027: 2028.

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

42 (b) Except as provided in subsection (e), any member of a local



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1 income tax council may present an ordinance for passage. To do so, the
 2 member must adopt a resolution to propose the ordinance to the local
 3 income tax council and distribute a copy of the proposed ordinance to
 4 the county auditor. The county auditor shall treat any proposed
 5 ordinance distributed to the auditor under this section as a casting of all
 6 that member's votes in favor of the proposed ordinance.

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

13 (d) Except as provided in subsection (h), if, before the elapse of
 14 thirty (30) days after receipt of a proposed ordinance, the county
 15 auditor notifies the member that the members of the local income tax
 16 council have cast a majority of the votes on the local income tax
 17 council for or against the proposed ordinance the member need not
 18 vote on the proposed ordinance.

19 (e) This subsection applies only to a county with a single voting
 20 bloc that proposes to increase (but not decrease) a tax rate in the
 21 county. The fiscal body of any county, city, or town that is a member
 22 of a local income tax council may adopt a resolution to propose an
 23 ordinance to increase a tax rate in the county to be voted on by the local
 24 income tax council as a whole as required under section 9.5 of this
 25 chapter and distribute a copy of the proposed ordinance to the county
 26 auditor. The county auditor shall treat the vote tally on the resolution
 27 adopted under this subsection for each individual who is a member of
 28 the fiscal body of the county, city, or town as the voting record for that
 29 individual either for or against the ordinance being proposed for
 30 consideration by the local income tax council as a whole under section
 31 9.5 of this chapter. This subsection expires May 31, ~~2027~~. **2028.**

32 (f) This subsection applies only to a county with a single voting
 33 bloc that proposes to increase (but not decrease) a tax rate in the
 34 county. The county auditor shall deliver copies of a proposed ordinance
 35 the auditor receives under subsection (e) to the fiscal officers of all
 36 members of the local income tax council (other than the member
 37 proposing the ordinance under subsection (e)) within ten (10) days
 38 after receipt. Subject to subsection (h), once a member receives a
 39 proposed ordinance from the county auditor, the member shall vote on
 40 it within thirty (30) days after receipt. This subsection expires May 31,
 41 ~~2027~~. **2028.**

42 (g) 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 fiscal body of each county, city, or town voting on a
 3 resolution to propose an ordinance under subsection (e), or voting on
 4 a proposed ordinance being considered by the local income tax council
 5 as a whole under section 9.5 of this chapter, must take a roll call vote
 6 on the resolution or the proposed ordinance. If an individual who sits
 7 on the fiscal body is absent from the meeting in which a vote is taken
 8 or abstains from voting on the resolution or proposed ordinance, the
 9 fiscal officer of the county, city, or town shall nevertheless consider
 10 that individual's vote as a "no" vote against the resolution or the
 11 proposed ordinance being considered, whichever is applicable, for
 12 purposes of the vote tally under this section and shall note on the vote
 13 tally that the individual's "no" vote is due to absence or abstention. The
 14 fiscal body of each county, city, or town shall certify the roll call vote
 15 on a resolution or a proposed ordinance, either for or against, to the
 16 county auditor as set forth under this chapter. This subsection expires
 17 May 31, 2027. 2028.

18 (h) This subsection applies only to a county with a single voting
 19 bloc that proposes to increase (but not decrease) a tax rate in the
 20 county. If, before the elapse of thirty (30) days after receipt of a
 21 proposed ordinance under subsection (e), the county auditor notifies
 22 the member that the individuals who sit on the fiscal bodies of the
 23 county, cities, and towns that are members of the local income tax
 24 council have cast a majority of the votes on the local income tax
 25 council for or against a proposed ordinance voting as a whole under
 26 section 9.5 of this chapter, the member need not vote on the proposed
 27 ordinance under subsection (e). This subsection expires May 31, 2027.
 28 2028.

29 SECTION 88. IC 6-3.6-3-9.5, AS AMENDED BY P.L.68-2025,
 30 SECTION 111, AND P.L.223-2025, SECTION 8, IS AMENDED TO
 31 READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 9.5. (a)
 32 This section applies to a county:

- 33 (1) in which the county adopting body is a local income tax
- 34 council;
- 35 (2) that is a county with a single voting bloc; and
- 36 (3) that proposes to increase a tax rate in the county.

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

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

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

6 (d) This section expires May 31, 2027: 2028.

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

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

15 (1) IC 6-3.6-6-2(b)(1) through IC 6-3.6-6-2(b)(4);

16 (2) IC 6-3.6-6-22; or

17 (3) IC 6-3.6-7;

18 that exceeds the applicable maximum tax rate or applicable
 19 maximum aggregate tax rate allowable pursuant to IC 6-3.6-6-2,
 20 IC 6-3.6-6-22, or IC 6-3.6-7, the department of local government
 21 finance shall notify the adopting body and county fiscal officer or
 22 municipal fiscal officer, as applicable, not later than thirty (30)
 23 days after the adopting body submits the ordinance and
 24 information required under IC 6-3.6-6-2 that one (1) or more tax
 25 rates exceed the maximum allowable tax rate.

26 (c) This subsection applies only to an ordinance adopted
 27 between January 1 and August 2 of a calendar year or October 2
 28 and December 31 of a calendar year. Not later than thirty (30) days
 29 after receiving a notification under subsection (b) from the
 30 department of local government finance, the adopting body may
 31 adopt an ordinance correcting the applicable tax rate or tax rates.
 32 The following apply to an ordinance adopted under this subsection:

33 (1) Any statutory requirements for an ordinance that
 34 otherwise apply to an ordinance adopted under this article
 35 to impose a local income tax rate also apply to an ordinance
 36 adopted under this subsection.

37 (2) If the tax rate or tax rates adopted in an ordinance
 38 adopted under this subsection still exceed a maximum
 39 allowable tax rate or maximum allowable aggregate tax rate,
 40 the ordinance adopted under this subsection shall be
 41 considered void and treated as if the adopting body did not
 42 adopt any additional ordinance under this subsection.



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1 (3) An ordinance adopted under this subsection has the same
 2 effective date as the initial ordinance described in subsection
 3 (b).

4 (d) If an adopting body adopts an ordinance between August
 5 3 and October 1 of a calendar year to impose a local income tax
 6 that exceeds a maximum allowable tax rate or rates, fails to adopt
 7 an ordinance correcting the applicable tax rate or tax rates under
 8 subsection (c), or, the ordinance is described in subsection (c)(2),
 9 the tax rate or rates will be reduced according to the following:

10 (1) If a tax rate or tax rates imposed pursuant to
 11 IC 6-3.6-6-2(b)(1) through IC 6-3.6-6-2(b)(4), IC 6-3.6-6-22,
 12 or IC 6-3.6-7 exceed the maximum allowable rate specified
 13 in IC 6-3.6-6-2(b)(1) through IC 6-3.6-6-2(b)(4),
 14 IC 6-3.6-6-22, or IC 6-3.6-7, the tax rate or tax rates that
 15 exceed the maximum allowable rate shall be reduced to the
 16 maximum allowable rate without further action by the
 17 adopting body.

18 (2) If the aggregate tax rates imposed pursuant to
 19 IC 6-3.6-6-2(b)(1) through IC 6-3.6-6-2(b)(3) exceed the
 20 maximum allowable aggregate rate in IC 6-3.6-6-2(c), the tax
 21 rates shall be reduced without any further action by the
 22 adopting body according to the following:

23 (A) Any portion of the aggregate tax rate that exceeds
 24 the maximum allowable rate shall first be applied by
 25 reducing the tax rate imposed under IC 6-3.6-6-2(b)(1),
 26 but may not reduce the rate below the tax rate otherwise
 27 required under this article.

28 (B) Any remaining portion of the aggregate tax rate that
 29 exceeds the maximum allowable rate after the reduction
 30 in clause (A) shall be applied to reduce the tax rates
 31 imposed under IC 6-3.6-6-2(b)(2) and IC 6-3.6-6-2(b)(3)
 32 in proportion to the total rates imposed under
 33 IC 6-3.6-6-2(b)(2) and IC 6-3.6-6-2(b)(3).

34 (3) If the tax rate or rates exceed both the maximum
 35 allowable rate specified in IC 6-3.6-6-2(b)(1) through
 36 IC 6-3.6-6-2(b)(3) and the maximum allowable aggregate tax
 37 rate in IC 6-3.6-6-2(c), the tax rates shall first be reduced in
 38 the manner set forth in subdivision (1) before application of
 39 the reduction manner set forth in subdivision (2).

40 (4) Any tax rate reduction under this subsection has the same
 41 effective date as the initial ordinance described in subsection
 42 (b).



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1 SECTION 90. IC 6-3.6-5-7, AS ADDED BY P.L.68-2025,
2 SECTION 116, IS AMENDED TO READ AS FOLLOWS
3 [EFFECTIVE JULY 1, 2028]: Sec. 7. This chapter expires December
4 31, 2027. 2028.

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

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

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

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

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

29 (4) A tax rate not to exceed one and two-tenths percent (1.2%)
30 for general purpose revenue for municipal services for
31 distribution to municipalities located within the county that are
32 not eligible to adopt a municipal tax rate under section 22 of this
33 chapter, **or that have made an election under section 23(b)(3) of**
34 **this chapter to be treated as such. The adopting body shall**
35 **identify in the ordinance each taxing district in which the tax**
36 **rate under this subdivision is imposed.**

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

40 (d) A tax rate adopted under subsection (b)(4) may only be
41 imposed on taxpayers who do not reside in a municipality that is
42 eligible to adopt a municipal tax rate under section 22 of this chapter.

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1 In the case of a team member or race team member described in
 2 IC 6-3.6-2-13(3), a tax rate adopted under subsection (b)(4) may
 3 only be imposed on services performed as a team member or race
 4 team member at a location if the county could impose the tax rate
 5 on an individual residing at that location.

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

14 (f) Notwithstanding subsection (e) or any other provision of
 15 this article, if there are bonds, leases, or other obligations payable
 16 from a tax imposed under subsection (b)(1) or (b)(4), the
 17 expenditure tax rate for the county under subsection (b)(1) or
 18 (b)(4) for a calendar year shall be the minimum tax rate necessary
 19 to produce one and twenty-five hundredths (1.25) times the sum of
 20 the:

- 21 (1) highest annual outstanding debt service;
- 22 (2) highest annual lease payments; and
- 23 (3) any amount required under the agreements for the bonds
- 24 or leases to be deposited in a sinking fund or other reserve;
- 25 for the calendar year payable from the applicable component rate.

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

- 30 (1) To make the following distributions:
- 31 (A) If an ordinance described in section 2.5 of this chapter
- 32 is in effect in a county, to make a distribution to the county
- 33 equal to the amount of revenue generated by the rate
- 34 imposed under section 2.5 of this chapter.
- 35 (B) If an ordinance described in section 2.6 of this chapter
- 36 is in effect in a county, to make a distribution to the county
- 37 equal to the amount of revenue generated by the rate
- 38 imposed under section 2.6 of this chapter.
- 39 (C) If an ordinance described in section 2.7 of this chapter
- 40 is in effect in a county, to make a distribution to the county
- 41 equal to the amount of revenue generated by the rate
- 42 imposed under section 2.7 of this chapter.



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(D) If an ordinance described in section 2.8 of this chapter is in effect in a county, to make a distribution to the county equal to the amount of revenue generated by the rate imposed under section 2.8 of this chapter.

(E) If an ordinance described in section 2.9 of this chapter (before its repeal) is in effect in a county, to make a distribution to the county equal to the amount of revenue generated by the rate imposed under section 2.9 of this chapter.

(F) If an ordinance described in section 3.1 of this chapter (before its expiration) is in effect in a county, to make a distribution to the county equal to the amount of revenue generated by the rate imposed under section 3.1 of this chapter.

(2) After making the distributions described in subdivision (1), if any, to make distributions to school corporations and civil taxing units in counties that formerly imposed a tax under IC 6-3.5-1.1 (repealed). The revenue categorized from the next twenty-five hundredths percent (0.25%) of the rate for a former tax adopted under IC 6-3.5-1.1 (repealed) shall be allocated to school corporations and civil taxing units. The amount of the allocation to a school corporation or civil taxing unit shall be determined using the allocation amounts for civil taxing units and school corporations in the county.

(3) After making the distributions described in subdivisions (1) and (2), the remaining revenue shall be treated as additional revenue (referred to as "additional revenue" in this chapter). Additional revenue may not be considered by the department of local government finance in determining:

- (A) any taxing unit's maximum permissible property tax levy limit under IC 6-1.1-18.5; or
- (B) the approved property tax rate for any fund.

(b) In the case of a civil taxing unit that has pledged the tax from additional revenue for the payment of bonds, leases, or other obligations as reported by the civil taxing unit under IC 5-1-18, the adopting body may not, under section 4 of this chapter, reduce the proportional allocation of the additional revenue that was allocated in the preceding year if the reduction for that year would result in an amount less than the amount necessary for the payment of bonds, leases, or other obligations payable or required to be deposited in a sinking fund or other reserve in that year for the bonds, leases, or other obligations for which the tax from additional revenue has been pledged.

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1 To inform an adopting body with regard to allocations that affect the
 2 payment of bonds, leases, or other obligations, a taxing unit may
 3 provide the adopting body with information regarding any outstanding
 4 bonds, leases, or other obligations that are secured by additional
 5 revenue. The information must be provided before the date of the
 6 public hearing at which the adopting body may change the allocation
 7 of additional revenue under section 4 of this chapter.

8 SECTION ~~42~~ [93. IC 6-3.6-6-3.1, AS ADDED BY P.L. 68-2025,
 9 SECTION 125, IS AMENDED TO READ AS FOLLOWS
 10 [EFFECTIVE JULY 1, 2025 (RETROACTIVE)]: Sec. 3.1. (a) As used
 11 in this section, "homestead" has the meaning set forth in
 12 IC 6-1.1-12-37.

13 (b) A county fiscal body may adopt an ordinance to impose a tax
 14 rate for the purpose of funding property tax homestead credits to reduce
 15 the property tax liability of taxpayers who own homesteads that are:

16 (1) located in the county; and

17 (2) eligible for a credit under IC 6-1.1-20.6-7.5 that limits the
 18 taxpayer's property tax liability for the property to one percent

19 (1%).

20 Revenue collected from a tax rate imposed under this section may only
 21 be used to fund replacement of the county's property tax levy. Property
 22 taxes imposed due to a referendum in which a majority of the voters in
 23 the taxing unit imposing the property taxes approved the property taxes
 24 are not eligible for a credit under this section.

25 (c) The tax rate must be in increments of one-hundredth of one
 26 percent (0.01%) and may not exceed three-tenths of one percent
 27 (0.3%).

28 (d) A tax imposed under this section shall be treated as property
 29 taxes for all purposes. However, the department of local government
 30 finance may not reduce:

31 (1) any taxing unit's maximum permissible property tax levy
 32 limit under IC 6-1.1-18.5; or

33 (2) the approved property tax levy or rate for any fund;

34 by the amount of any credits granted under this chapter.

35 (e) The homestead credits shall be applied to the net property taxes
 36 due on the homestead after the application of any credit granted under
 37 IC 6-1.1, including any credit granted under IC 6-1.1-20.4 and
 38 IC 6-1.1-20.6.

39 (f) The property tax credits must be applied uniformly to provide
 40 a homestead credit for homesteads in the county.

41 (g) The county auditor shall allocate the amount of revenue
 42 applied as tax credits under this section to the taxing units that imposed



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1 the eligible property taxes against which the credits are applied.

2 (h) The department of local government finance shall assist county
 3 fiscal bodies and county auditors in calculating credit percentages and
 4 amounts.

5 (i) Notwithstanding any provision to the contrary in this chapter,
 6 a tax imposed under this section:

7 (1) may be imposed on the adjusted gross income of taxpayers
 8 before January 1, ~~2028~~; **2029**; and

9 (2) terminates and may not be imposed on the adjusted gross
 10 income of taxpayers after December 31, ~~2027~~; **2028**.

11 (j) This section expires January 1, ~~2028~~; **2029**.

12 SECTION 94. IC 6-3.6-6-4, AS AMENDED BY P.L.68-2025,
 13 SECTION 126, IS AMENDED TO READ AS FOLLOWS
 14 [EFFECTIVE JULY 1, 2028]: Sec. 4. (a) General purpose revenue
 15 raised from a tax rate under section 2(b)(1) of this chapter must be
 16 distributed directly to the county. The money may be used by the
 17 county fiscal body for any of the purposes of the county, including for:

18 (1) public safety, including funding for a PSAP;

19 (2) economic development purposes described in IC 6-3.6-10;

20 (3) acute care hospitals;

21 (4) correctional facilities and rehabilitation facilities; **and**

22 (5) county staff expenses of the state judicial system. ~~and~~

23 (6) homestead property tax credits to fund replacement of the
 24 county's property tax levy.

25 (b) **Subject to sections 3 and 5 of this chapter**, the adopting body
 26 shall, by ordinance, determine how general purpose revenue from a tax
 27 under this chapter must be allocated in subsequent years. The
 28 allocations are subject to IC 6-3.6-11. The ordinance must be adopted
 29 as provided in IC 6-3.6-3 and takes effect and applies as specified in
 30 IC 6-3.6-3-3. The ordinance continues to apply thereafter until it is
 31 rescinded or modified.

32 SECTION 95. IC 6-3.6-6-4.3, AS ADDED BY P.L.68-2025,
 33 SECTION 127, IS AMENDED TO READ AS FOLLOWS
 34 [EFFECTIVE JULY 1, 2028]: Sec. 4.3. (a) Revenue raised from a tax
 35 rate for fire protection ~~and or~~ emergency medical services under
 36 section 2(b)(2) of this chapter shall be distributed by the county ~~to~~
 37 **among the county and** each fire protection district, fire protection
 38 territory, and municipal fire department located within the county **that**
 39 **provides fire protection, emergency medical services, or both in the**
 40 **county. Except as provided in subsection (b)**, at the discretion of the
 41 county council, the county may distribute revenue raised from a tax rate
 42 for fire protection ~~and or~~ emergency medical services under section



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1 2(b)(2) of this chapter to township fire departments and volunteer fire
 2 departments that provide fire protection, emergency medical
 3 services, or both in the county.

4 (b) Revenue raised from a tax rate for fire protection and
 5 emergency medical services under section 2(b)(2) of this chapter shall
 6 be allocated to each fire protection district, fire protection territory,
 7 municipal fire department, and, if applicable, township fire
 8 departments and volunteer fire departments, based on the following
 9 formula:

10 STEP ONE: For each provider of fire protection and emergency
 11 medical services located within the county that is eligible to
 12 receive revenue under this section, determine the population
 13 living within the service boundaries of the provider using the
 14 most recent federal decennial census.

15 STEP TWO: For each provider of fire protection and emergency
 16 medical services located within the county that is eligible to
 17 receive revenue under this section, determine the number of
 18 square miles within the service boundaries of the provider.

19 STEP THREE: For each provider of fire protection and
 20 emergency medical services located within the county that is
 21 eligible to receive revenue under this section, determine the
 22 product of:

23 (A) the STEP TWO amount; multiplied by

24 (B) twenty (20);

25 STEP FOUR: For each provider of fire protection and
 26 emergency medical services located within the county that is
 27 eligible to receive revenue under this section, determine the sum
 28 of:

29 (A) the STEP ONE result; plus

30 (B) the STEP THREE result.

31 STEP FIVE: Determine the sum total of the STEP FOUR results
 32 for each provider of fire protection and emergency medical
 33 services located within the county that is eligible to receive
 34 revenue under this section.

35 STEP SIX: The percentage of revenue that shall be distributed
 36 to each provider of fire protection and emergency medical
 37 services located within the county that is eligible to receive
 38 revenue under this section is equal to:

39 (A) the STEP FOUR result for the provider; divided by

40 (B) the STEP FIVE result.

41 (b) Subject to subsection (d), the county may determine the
 42 allocation method for revenue raised from a tax rate for fire



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1 protection or emergency medical services under section 2(b)(2) of
 2 this chapter. However, in determining the allocation method, the
 3 county shall, for each provider of fire protection, emergency
 4 medical services, or both in the county, consider the service
 5 boundaries of the provider and the population living within the
 6 service boundaries of the provider using the most recent federal
 7 decennial census.

8 (c) If at least fifty percent (50%) of fire runs made by a
 9 township fire department during the calendar year preceding by
 10 two (2) years the calendar year in which distribution amounts are
 11 being determined are carried out by full-time firefighters who
 12 receive a salary of at least thirty thousand dollars (\$30,000), the
 13 county shall distribute an allocation of revenue to the township fire
 14 department under this section.

15 (d) In the case of a county that provides fire protection,
 16 emergency medical services, or both in part of the county, but not
 17 the entire county, only the part of the county in which the county
 18 provides the fire protection, emergency medical services, or both
 19 are considered within the service boundaries for the county.

20 (e) For purposes of a distribution under this section, a
 21 distribution to a:

22 (1) fire protection territory shall be made to the provider
 23 unit of the fire protection territory; and

24 (2) volunteer fire department shall be made to the taxing unit
 25 that is served by the volunteer fire department.

26 (f) If the population living within the service boundaries of a
 27 provider cannot be determined using data from the United States
 28 Census Bureau, the county may determine an estimated population
 29 based on income tax returns that report a residence located within
 30 the service boundaries of the provider. The county auditor shall
 31 provide the estimated population to the department of local
 32 government finance not later than July 15 of the calendar year that
 33 precedes the calendar year before the year in which the
 34 distribution is made. If the county auditor does not provide an
 35 estimated population under this subsection, the department of local
 36 government finance may use the most recent estimated population
 37 provided by the county auditor or the department of state revenue.

38 SECTION 96. IC 6-3.6-6-4.5, AS AMENDED BY THE
 39 TECHNICAL CORRECTIONS BILL OF THE 2026 GENERAL
 40 ASSEMBLY, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 41 JULY 1, 2028]: Sec. 4.5. (a) Revenue raised from a tax rate for
 42 nonmunicipal civil taxing units under section 2(b)(3) of this chapter



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1 may be distributed by the county to nonmunicipal civil taxing units
 2 subject to the provisions of this section.

3 (b) Subject to the maximum aggregate tax rate of not more than
 4 two-tenths of one percent (0.2%) under section 2(b)(3) of this chapter,
 5 the adopting body may adopt a tax rate for each type of nonmunicipal
 6 civil taxing unit, which may not exceed more than five-hundredths of
 7 one percent (0.05%) for any given unit type. The revenue raised from
 8 a tax rate for a specific type of nonmunicipal civil taxing unit shall be
 9 allocated to all nonmunicipal civil taxing units of that same type
 10 located within the county on a pro rata per capita basis, subject to
 11 subsection (e); subsections (e) and (h).

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

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

21 (1) expire on a date specified in the resolution; or

22 (2) remain in effect until the county fiscal body revokes or
 23 rescinds the resolution.

24 (e) A nonmunicipal civil taxing unit wishing to receive a share of
 25 revenue under this section in a year must adopt a resolution requesting
 26 the distribution from the county and must provide a certified copy of
 27 the resolution to the adopting body and the state board of accounts
 28 not later than July 1 of the year immediately preceding the distribution
 29 year. Not later than August 1 of the year immediately preceding the
 30 distribution year, the adopting body shall hold a public hearing on the
 31 resolution requesting the distribution and provide the public with
 32 notice of the time and place where the public hearing will be held. The
 33 notice must be given in accordance with IC 5-3-1 and include a
 34 description of the resolution requesting the distribution from the
 35 county.

36 (f) If a nonmunicipal civil taxing unit adopts a resolution under
 37 this subsection subsection (e) and provides the resolution to the
 38 adopting body as set forth in this that subsection, the county shall
 39 distribute to the nonmunicipal civil taxing unit an amount of revenue
 40 raised from the tax rate under section 2(b)(3) of this chapter for the
 41 distribution year as set forth in subsection (f); (g).

42 (g) If one (1) or more, but not all, nonmunicipal civil taxing units



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1 adopt a resolution under subsection (e) requesting a distribution in a
2 given year, the county may either distribute the total amount of revenue
3 raised from the tax rate under section 2(b)(3) of this chapter to only
4 those nonmunicipal civil taxing units that have provided a resolution
5 request, or the county may distribute the total amount of revenue raised
6 from a tax rate under section 2(b)(3) of this chapter to all nonmunicipal
7 civil taxing units as set forth in this section. If no nonmunicipal civil
8 taxing units adopt a resolution to request a distribution in a given year,
9 the county may retain the revenue raised from a tax rate for
10 nonmunicipal civil taxing units for that year and use the revenue as
11 general purpose revenue for the county under section 4 of this chapter.

12 (h) If the population living within one (1) or more
13 nonmunicipal civil taxing units cannot be determined using data
14 from the United States Census Bureau, the county may determine
15 an estimated population based on income tax returns that report
16 a residence located within the boundaries of the nonmunicipal civil
17 taxing units. The county auditor shall provide the estimated
18 population to the department of local government finance no later
19 than July 15 of the calendar year that precedes the calendar year
20 before the year in which the distribution is made. If the county
21 auditor does not provide an estimated population under this
22 subsection, the department of local government finance may use
23 the most recent estimated population provided by the county
24 auditor or the department of state revenue.

25 SECTION 97. IC 6-3.6-6-6.1, AS AMENDED BY THE
26 TECHNICAL CORRECTIONS BILL OF THE 2026 GENERAL
27 ASSEMBLY, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
28 JULY 1, 2028]: Sec. 6.1. (a) Revenue raised from a tax rate for certain
29 cities and towns under section 2(b)(4) of this chapter ~~may~~ shall be
30 distributed by the county to those cities and towns subject to the
31 provisions of this section and according to the following formula:

32 STEP ONE: Determine the population of each city and town
33 located in the county, excluding the population of any
34 municipality that:

35 (A) is eligible to impose a local income tax under section
36 22 of this chapter; and

37 (B) did not make an election under section 23(b)(3) of
38 this chapter.

39 STEP TWO: Determine the aggregate sum of the STEP ONE
40 results.

41 STEP THREE: Determine the sum of:

42 (A) the STEP TWO result; plus

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- 1 (B) the population of the unincorporated area of the
 2 county.
 3 STEP FOUR: Divide the STEP TWO result by the STEP
 4 THREE result.
 5 STEP FIVE: Multiply the STEP FOUR result by one and
 6 five-tenths (1.5), expressed as a percentage.
 7 STEP SIX: Multiple the STEP FIVE result by the total
 8 amount of revenue raised from the tax rate imposed under
 9 section 2(b)(4) of this chapter.
 10 STEP SEVEN: For each city and town located in the county
 11 that adopted a resolution under subsection (d) for the year,
 12 excluding any municipality that is eligible to impose a local
 13 income tax under section 22 of this chapter and did not make
 14 an election under section 23(b)(3) of this chapter, divide:
 15 (A) the STEP ONE result for the city or town; by
 16 (B) the STEP TWO result.
 17 STEP EIGHT: To determine the amount to be allocated to
 18 each city and town located in the county that adopted a
 19 resolution under subsection (d) for the year, excluding any
 20 municipality that is eligible to impose a local income tax
 21 under section 22 of this chapter and did not make an election
 22 under section 23(b)(3) of this chapter, multiply:
 23 (A) the STEP SEVEN result for the city or town; by
 24 (B) the STEP SIX result.
 25 STEP NINE: Determine the aggregate sum of the STEP
 26 EIGHT results 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.
 31 STEP TEN: Determine the result of:
 32 (A) the total amount of revenue raised from the tax rate
 33 imposed under section 2(b)(4) of this chapter; minus
 34 (B) the STEP SIX result.
 35 STEP ELEVEN: Determine the result of:
 36 (A) the STEP SIX result; minus
 37 (B) the STEP NINE result.
 38 STEP TWELVE: To determine the amount to be allocated
 39 to the county, determine the sum of:
 40 (A) the STEP TEN result; plus
 41 (B) the STEP ELEVEN result.
 42 (b) Subject to subsection (g), the revenue raised from a tax rate

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1 under section 2(b)(4) of this chapter shall be allocated to the cities and
 2 towns based on the population of the city or the population of the town;
 3 whichever is applicable; compared to the population of all the cities or
 4 the population of all the towns; whichever is applicable; that are
 5 eligible for a distribution; subject to subsection (d): For purposes of this
 6 determination, section, if the boundaries of a city or town are located
 7 in more than one (1) county, only the portion of the population of the
 8 city or town that is located within the county imposing the tax rate
 9 under section 2(b)(4) of this chapter shall be considered.

10 (c) The money may be used by the city or town fiscal body for any
 11 of the purposes of the city or town, including public safety (as defined
 12 in IC 6-3.6-2-14) and economic development purposes described in
 13 IC 6-3.6-10. The city or town fiscal body may pledge its general
 14 purpose revenue to the payment of bonds or to lease payments as set
 15 forth in this chapter.

16 (d) An eligible city or town wishing to receive a share of revenue
 17 under this section in a year must adopt a resolution requesting the
 18 distribution from the county and must provide a certified copy of the
 19 resolution to the adopting body and the state board of accounts not
 20 later than July 1 of the year immediately preceding the distribution
 21 year. Not later than August 1 of the year immediately preceding the
 22 distribution year, the adopting body shall hold a public hearing on the
 23 resolution requesting the distribution and provide the public with
 24 notice of the time and place where the public hearing will be held. The
 25 notice must be given in accordance with IC 5-3-1 and include a
 26 description of the resolution requesting the distribution from the
 27 county.

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

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

39 (f) Subject to subsection (g); if one (1) or more, but not all, eligible
 40 cities or towns adopt a resolution under subsection (d) requesting a
 41 distribution in a given year, the county may either distribute the total
 42 amount of revenue raised from the tax rate under section 2(b)(4) of this

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1 chapter to only those eligible cities or towns that have provided a
 2 resolution request; or the county may distribute the total amount of
 3 revenue raised from a tax rate under section 2(b)(4) of this chapter to
 4 all eligible cities or towns as set forth in this section. If no eligible city
 5 or town adopts a resolution to request a distribution in a given year; the
 6 county may retain the revenue raised from a tax rate for the eligible city
 7 or town for that year and use the revenue as general purpose revenue
 8 for the county under section 4 of this chapter:

9 (g) Notwithstanding any provision to the contrary in this section;
 10 if an adopting body that imposes a tax rate of one and two-tenths
 11 percent (1.2%) under section 2(b)(1) of this chapter subsequently
 12 adopts an ordinance to concurrently impose a tax rate under section
 13 2(b)(4) of this chapter:

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

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

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

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

30 (1) does not apply to:

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

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

36 (2) applies only to the following:

37 (A) Any allocation or distribution of revenue under section
 38 3(a)(2) of this chapter (as in effect before July 1, 2027)
 39 **2028** that is made on the basis of property tax levies in
 40 counties that formerly imposed a tax under IC 6-3.5-1.1
 41 (before its repeal on January 1, 2017).

42 (B) Any allocation or distribution of revenue under section

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1 3(a)(3) of this chapter (as in effect before July 1, 2027)
 2 2028) that is made on the basis of property tax levies in
 3 counties that formerly imposed a tax under IC 6-3.5-6
 4 (before its repeal on January 1, 2017).

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

6 (1) school corporations; or

7 (2) civil taxing units;

8 of an adopting county merge or consolidate to form a single school
 9 corporation or civil taxing unit, the school corporation or civil taxing
 10 unit that is in existence on January 1 of the current year is entitled to
 11 the combined pro rata distribution of the revenue under section 3(a)(2)
 12 or 3(a)(3) (as in effect before July 1, 2027) 2028) of this chapter (as
 13 appropriate) allocated to each applicable school corporation or civil
 14 taxing unit in existence on January 1 of the immediately preceding
 15 calendar year prior to the merger or consolidation.

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

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

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

24 (2) in the case of a city or town whose population decreased in
 25 the most recent federal decennial census from three thousand
 26 five hundred (3,500) or more to less than three thousand five
 27 hundred (3,500), has elected by ordinance to continue to use its
 28 previous population of three thousand five hundred (3,500) or
 29 more as set forth in section 23(b)(2) of this chapter for purposes
 30 of the allocation determination under section 6.1 of this chapter.

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

33 (b) Beginning after December 31, 2027, 2028, the fiscal body of
 34 a municipality may by ordinance and subject to subsection (e), impose
 35 a local income tax rate on the adjusted gross income of local taxpayers
 36 in the municipality that does not exceed one and two-tenths percent
 37 (1.2%).

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

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



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

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

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

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

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

11 (4) A local income tax rate imposed by a municipality shall
 12 apply to professional athletes who compete in the municipality;
 13 unless exempted under IC 6-3-2-27.5 or other provision of law;
 14 team members and race team members described in
 15 IC 6-3.6-2-13(3) on the income derived from services
 16 performed as a team member or race team member in the
 17 municipality.

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

23 (e) ~~Beginning after December 31, 2030;~~ A tax rate imposed under
 24 subsection (b) ~~shall expire~~ expires on December 31, 2032, and on
 25 December 31 of each calendar year thereafter. A municipality
 26 wishing to continue, increase, or decrease a tax rate in for the
 27 succeeding year must pass an ordinance to readopt a tax rate in
 28 accordance with IC 6-3.6-3-3.3. However, if there are bonds, leases,
 29 or other obligations payable from a tax imposed under subsection
 30 (b) that remain outstanding and the municipality fails to adopt an
 31 ordinance to continue the expenditure tax rate under this
 32 subsection, the expenditure tax rate for the municipality for the
 33 succeeding year, or until the maturity date of those debt
 34 obligations, whichever is sooner, shall be the minimum tax rate
 35 necessary to produce one and twenty-five hundredths (1.25) times
 36 the sum of:

37 (1) the highest annual outstanding debt service;

38 (2) the highest annual lease payments; and

39 (3) any amount required under the agreements for the bonds
 40 or leases to be deposited in a sinking fund or other reserve;
 41 for the year. This subsection applies regardless of whether there is a
 42 modification in the tax rate or the rate is unchanged from the previous



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

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

(b) The following apply:

(1) Except as provided in subdivisions (2) and (3), the population of a city or town is the population of the city or town that is reported by the 2020 federal decennial census.

(2) Beginning after ~~2030~~, 2032, if the population of a city or town

(A) increases from a population of less than three thousand five hundred (3,500); as reported by the immediately preceding federal decennial census; to a population of three thousand five hundred (3,500) or more; as reported by the most recent federal decennial census; or, if applicable, any corrected population count (as defined in IC 1-1-3.5-1.5) issued for the city or town in the year succeeding the most recent federal decennial census; or

(B) decreases from a population of three thousand five hundred (3,500) or more, as reported by the immediately preceding federal decennial census, to a population of less than three thousand five hundred (3,500), as reported by the most recent federal decennial census, or, if applicable, any corrected population count (as defined in IC 1-1-3.5-1.5) issued for the city or town in the year succeeding the most recent federal decennial census, the fiscal body of the city or town may adopt an ordinance on or before September 1 of the calendar year immediately succeeding **two (2) years after** the most recent federal decennial census to continue to use the population of the city or town as reported by the immediately preceding federal decennial census and the resulting determination for the city or town under section 22 of this chapter, notwithstanding the increase or decrease in its population as reported by the most recent federal

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decennial census as described in this subdivision. An ordinance adopted under this subdivision shall take effect on January 1 of the calendar year that immediately succeeds the year in which the ordinance is adopted. The fiscal officer of the city or town shall provide a certified copy of an ordinance adopted under this subdivision to the department of local government finance.

(3) This subdivision applies only to cities and towns with a population of ~~more than~~ three thousand five hundred (3,500) or more but less than seven thousand (7,000). Notwithstanding any other provision, a fiscal body of a city or town may adopt an ordinance to elect to be treated as if the city's or town's population is less than three thousand five hundred (3,500) for purposes of a county local income tax rate and distribution under this chapter. An ordinance adopted under this subdivision shall take effect on January 1 of the calendar year that immediately succeeds the year in which the ordinance is adopted. The fiscal officer of the city or town shall provide a certified copy of an ordinance adopted under this subdivision to the department of local government finance. An ordinance adopted by a city or town under this subdivision is not revocable and shall ~~not expire following the next federal decennial census:~~ **expire December 31, 2032.**

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

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

(b) The county fiscal body may, by ordinance, allocate part of the tax rate imposed under IC 6-3.6-5 (before its expiration), not to exceed a tax rate of fifteen hundredths percent (0.15%), to a property tax credit against the property tax liability imposed for public libraries in the county, if all territory in the county is included in a library district. The county treasurer shall establish a library property tax replacement fund to be used only for the purposes described in this section. Tax revenues derived from the part of the tax rate imposed under IC 6-3.6-5 (before

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1 its expiration) that is designated for property tax replacement credits
2 under this section shall be deposited in the library property tax
3 replacement fund. Any interest earned on money in the library property
4 tax replacement fund shall be credited to the library property tax
5 replacement fund.

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

10 (1) the product of:

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

13 (B) a fraction described as follows:

14 (i) The numerator of the fraction equals the sum of the
15 total property taxes that would have been collected by
16 the public library during the previous calendar year
17 from taxpayers located within the library district if the
18 property tax replacement under this section had not
19 been in effect.

20 (ii) The denominator of the fraction equals the sum of
21 the total property taxes that would have been collected
22 during the previous year from taxpayers located within
23 the county by all public libraries that are eligible to
24 receive property tax replacement credits under this
25 section if the property tax replacement under this
26 section had not been in effect; or

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

30 The department of local government finance shall make any
31 adjustments necessary to account for the expansion of a library district.
32 However, a public library is eligible to receive property tax
33 replacement credits under this section only if it has entered into
34 reciprocal borrowing agreements with all other public libraries in the
35 county. If the total amount of tax revenue deposited by the county
36 auditor in the library property tax replacement fund for a calendar year
37 exceeds the total property tax liability that would otherwise be imposed
38 for public libraries in the county for the year, the excess must remain
39 in the library property tax replacement fund and may be used for library
40 property tax replacement purposes in the following calendar year.

41 (d) A public library receiving property tax replacement credits
42 under this section shall allocate the credits among each fund for which

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1 a distinct property tax levy is imposed in proportion to the property
 2 taxes levied for each fund. However, if a public library did not impose
 3 a property tax levy during the previous calendar year or did not impose
 4 a property tax levy for a particular fund during the previous calendar
 5 year, but the public library is imposing a property tax levy in the
 6 current calendar year or is imposing a property tax levy for the
 7 particular fund in the current calendar year, the department of local
 8 government finance shall adjust the amount of property tax
 9 replacement credits allocated among the various funds of the public
 10 library and shall provide the adjustment to the county auditor. If a
 11 public library receiving property tax replacement credits under this
 12 section does not impose a property tax levy for a particular fund that is
 13 first due and payable in a calendar year in which the property tax
 14 replacement credits are being distributed, the public library is not
 15 required to allocate to that fund a part of the property tax replacement
 16 credits to be distributed to the public library. Notwithstanding
 17 IC 6-1.1-20-1.1(a)(1), a public library that receives property tax
 18 replacement credits under this section is subject to the procedures for
 19 the issuance of bonds set forth in IC 6-1.1-20.

20 (e) A public library shall treat property tax replacement credits
 21 received during a particular calendar year under this section as a part
 22 of the public library's property tax levy for each fund for that same
 23 calendar year for purposes of fixing the public library's budget and for
 24 purposes of the property tax levy limits imposed by IC 6-1.1-18.5.

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

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

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

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

38 **The amount shall be allocated between the Hancock County Public**
 39 **Library and Fortville Public Library based on each library's**
 40 **proportional share of the population in each library district**
 41 **compared to the total population in both library districts, based on**
 42 **the most recent federal decennial census. After the county fiscal**

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1 body adopts a resolution under this subsection, before the transfer
 2 may be made, and not later than July 1, 2029, the Hancock County
 3 Public Library and Fortville Public Library shall each adopt a
 4 substantially similar resolution requesting that the transfer be
 5 made and provide certified copies to the county fiscal body. Upon
 6 receiving the certified copies, the county fiscal body shall make the
 7 transfer under this subsection.

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

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

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

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

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

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

21 (A) jail facilities;

22 (B) juvenile court, detention, and probation facilities;

23 (C) other criminal justice facilities; and

24 (D) related buildings and parking facilities;

25 located in the county, including costs related to the demolition
 26 of existing buildings and the acquisition of land.

27 (2) Repay bonds issued or leases entered into for the purposes
 28 described in subdivision (1).

29 (d) The tax imposed under this section may be imposed only until
 30 the last of the following dates:

31 (1) The date on which the purposes described in subsection
 32 (c)(1) are completed.

33 (2) The date on which the last of any bonds issued (including any
 34 refunding bonds) or leases described in subsection (c)(2) are
 35 fully paid.

36 The term of the bonds issued (including any refunding bonds) or a
 37 lease entered into under subsection (c)(2) may not exceed twenty (20)
 38 years.

39 (e) Money accumulated from the tax under this section after the
 40 tax imposed by this section is terminated shall be transferred to the
 41 county jail fund to be established under subsection (f).

42 (f) The county auditor shall establish a county jail fund that shall



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1 only be used for:

2 (1) maintenance of a jail facility; and

3 (2) costs otherwise incurred for the operation of the county
4 jail.

5 Money in the county jail fund shall not be used to issue new debt or
6 enter into leases, notwithstanding any other sections of this chapter.

7 SECTION 104. IC 6-3.6-7-27, AS AMENDED BY P.L.197-2016,
8 SECTION 63, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
9 JANUARY 1, 2028]: Sec. 27. (a) This section applies only to an
10 eligible county, as defined in IC 8-25-1-4.

11 (b) If the voters of the county approve a local public question
12 under IC 8-25-2, the fiscal body of the county may adopt an ordinance
13 to provide for the use of local income tax revenues attributable to an
14 additional tax rate imposed under IC 6-3.6-6 to fund a public
15 transportation project under IC 8-25. However, a county fiscal body
16 shall adopt an ordinance under this subsection if required by
17 IC 8-25-6-10 to impose an additional tax rate on the county taxpayers
18 (as defined in IC 8-24-1-10) who reside in a township in which the
19 voters approve a public transportation project in a local public question
20 held under IC 8-25-6. An ordinance adopted under this subsection must
21 specify an additional tax rate to be imposed in the county (or township
22 in the case of an additional rate required by IC 8-25-6-10) of at least
23 one-tenth percent (0.1%), but not more than twenty-five hundredths
24 percent (0.25%). If an ordinance is adopted under this subsection, the
25 amount of the certified distribution attributable to the additional tax
26 rate imposed under this subsection must be:

27 (1) retained by the county auditor;

28 (2) deposited in the county public transportation project fund
29 established under IC 8-25-3-7; and

30 (3) used for the purpose provided in this subsection instead of as
31 a property tax replacement distribution.

32 (c) The tax rate under this section plus the tax rate under
33 IC 6-3.6-6 may not exceed the tax rate may not be considered for
34 purposes of determining the maximum allowable tax rate specified
35 in IC 6-3.6-6-2.

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

40 (1) maintains a home, if the individual maintains only one (1)
41 home in Indiana;

42 (2) if subdivision (1) does not apply, is registered to vote;

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1 (3) if subdivision (1) or (2) does not apply, registers the
 2 individual's personal automobile; or
 3 (4) spent the majority more of the individual's time in Indiana
 4 during the taxable year in question compared to any other
 5 county, if subdivision (1), (2), or (3) does not apply.

6 (b) The residence or principal place of business or employment of
 7 an individual is to be determined on January 1 of the calendar year in
 8 which the individual's taxable year commences. If an individual
 9 changes the location of the individual's residence or principal place of
 10 employment or business to another county in Indiana during a calendar
 11 year, the individual's liability for tax is not affected.

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

15 (1) changes the location of the individual's residence to a county
 16 in which the individual begins employment or business at a
 17 qualified economic development tax project (as defined in
 18 IC 36-7-27-9); or

19 (2) changes the location of the individual's principal place of
 20 employment or business to a qualified economic development
 21 tax project and does not reside in another county in which a tax
 22 is in effect;

23 the individual's adjusted gross income attributable to employment or
 24 business at the qualified economic development tax project is taxable
 25 only by the county containing the qualified economic development tax
 26 project.

27 SECTION 106. IC 6-3.6-8-3, AS AMENDED BY P.L.68-2025,
 28 SECTION 151, IS AMENDED TO READ AS FOLLOWS
 29 [EFFECTIVE JANUARY 1, 2029]: Sec. 3. (a) For purposes of this
 30 article, an individual shall be treated as a resident of the county (or the
 31 municipality in the case of a local income tax imposed under
 32 IC 6-3.6-6-22) in which the individual:

33 (1) maintains a home, if the individual maintains only one (1)
 34 home in Indiana;

35 (2) if subdivision (1) does not apply, is registered to vote;

36 (3) if subdivision (1) or (2) does not apply, registers the
 37 individual's personal automobile; or

38 (4) spent the majority more of the individual's time in Indiana
 39 during the taxable year in question compared to any other
 40 county, if subdivision (1), (2), or (3) does not apply.

41 (b) The residence of an individual is to be determined on January
 42 1 of the calendar year in which the individual's taxable year

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1 commences. If an individual changes the location of the individual's
2 residence to another county (or municipality in the case of a local
3 income tax imposed under IC 6-3.6-6-22) in Indiana during a calendar
4 year, the individual's liability for tax is not affected.

5 (c) Notwithstanding subsection (b), if an individual becomes a
6 local taxpayer for purposes of IC 36-7-27 during a calendar year
7 because the individual changes the location of the individual's
8 residence to a county or municipality in which the individual begins
9 employment or business at a qualified economic development tax
10 project (as defined in IC 36-7-27-9), the individual's adjusted gross
11 income attributable to employment or business at the qualified
12 economic development tax project is taxable only by the county or
13 municipality containing the qualified economic development tax
14 project.

15 (d) In determining residency for purposes of a local income tax
16 imposed under IC 6-3.6-6-2(b)(4) or IC 6-3.6-6-22, the following
17 apply:

18 (1) The criteria in subsection (a)(1) through (a)(4) must be
19 applied to municipalities and the parts of a county in which
20 the county may impose a tax rate under IC 6-3.6-6-2(b)(4).

21 (2) If an individual meets the criteria in subsection (a)(1)
22 through (a)(3) for an area in the county in which the county
23 may impose a tax rate under IC 6-3.6-6-2(b)(4), the
24 individual is considered a resident of that area of the county
25 and is subject to a tax rate imposed under IC 6-3.6-6-2(b)(4).

26 (3) If an individual is a resident of the county pursuant to
27 subsection (a)(4), the:

28 (A) time spent in all areas within the county in which the
29 county may impose a tax rate under IC 6-3.6-6-2(b)(4)
30 shall be aggregated; and

31 (B) determination of the individual's residence within
32 the county shall be determined solely by the time spent
33 in the municipality (or part of the county) and the parts
34 of a county in which the county may impose a tax rate
35 under IC 6-3.6-6-2(b)(4).

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

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1 (1) earned in a county that is:
2 (A) located in another state; and
3 (B) adjacent to the county in which the taxpayer resides;
4 and
5 (2) subject to an income tax imposed by a county, city, town, or
6 other local governmental entity in the other state.
7 SECTION 108. IC 6-3.6-9-1, AS AMENDED BY P.L.68-2025,
8 SECTION 154, IS AMENDED TO READ AS FOLLOWS
9 [EFFECTIVE JULY 1, 2028]: Sec. 1. (a) The budget agency shall
10 maintain an accounting for each county imposing a tax based on annual
11 returns filed by or for county taxpayers. Any undistributed amounts so
12 accounted for shall be held in reserve for the respective counties
13 separate from the state general fund.
14 (b) Undistributed amounts shall be invested by the treasurer of
15 state and the income earned shall be credited to the counties based on
16 each county's undistributed amount.
17 (c) This section expires December 31, 2027: 2028.
18 SECTION 109. IC 6-3.6-9-5, AS AMENDED BY P.L.68-2025,
19 SECTION 158, IS AMENDED TO READ AS FOLLOWS
20 [EFFECTIVE JULY 1, 2028]: Sec. 5. (a) Before October 1 of each
21 calendar year, the budget agency shall certify to the department of local
22 government finance and the county auditor of each adopting county the
23 amount determined under sections 4 and 4.1 of this chapter. The
24 amount certified is the county's certified distribution for the
25 immediately succeeding calendar year. The amount certified shall be
26 adjusted, as necessary, under sections 6 and 7 of this chapter. Subject
27 to subsection (b), not later than thirty (30) days after receiving the
28 amount of the certified distribution, the department of local
29 government finance shall determine for each taxing unit and notify the
30 county auditor of the certified amount that will be distributed to the
31 taxing unit under this chapter during the ensuing calendar year. Not
32 later than thirty (30) days after receiving the department's estimate, the
33 county auditor shall notify each taxing unit of the certified amounts for
34 the taxing unit.
35 (b) This subsection applies to Lake County. When the department
36 of local government finance notifies the county auditor of the certified
37 amount that will be distributed to the taxing unit under this chapter
38 during the ensuing calendar year, the department of local government
39 finance shall also determine the amount of general purpose revenue
40 allocated for economic development purposes that will be distributed
41 to each civil taxing unit, reduced by an amount that is equal to the
42 following percentages of the tax revenue that would otherwise be

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1 allocated for economic development purposes and distributed to the
2 civil taxing unit:

3 (1) For Lake County, an amount equal to twenty-five percent
4 (25%).

5 (2) For Crown Point, an amount equal to ten percent (10%).

6 (3) For Dyer, an amount equal to fifteen percent (15%).

7 (4) For Gary, an amount equal to seven and five-tenths percent
8 (7.5%).

9 (5) For Hammond, an amount equal to fifteen percent (15%).

10 (6) For Highland, an amount equal to twelve percent (12%).

11 (7) For Hobart, an amount equal to eighteen percent (18%).

12 (8) For Lake Station, an amount equal to twenty percent (20%).

13 (9) For Lowell, an amount equal to fifteen percent (15%).

14 (10) For Merrillville, an amount equal to twenty-two percent
15 (22%).

16 (11) For Munster, an amount equal to thirty-four percent (34%).

17 (12) For New Chicago, an amount equal to one percent (1%).

18 (13) For Schererville, an amount equal to ten percent (10%).

19 (14) For Schneider, an amount equal to twenty percent (20%).

20 (15) For Whiting, an amount equal to twenty-five percent (25%).

21 (16) For Winfield, an amount equal to fifteen percent (15%).

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

25 (c) This subsection applies to a distribution under
26 IC 6-3.6-6-4.3 of tax revenue raised from a local income tax rate
27 for fire protection and emergency medical services. Before the
28 department of local government finance may certify a distribution,
29 each provider of fire protection and emergency medical services
30 located within a county shall certify to the department of local
31 government finance the boundaries of the service area within the
32 county served by the provider. If a provider does not certify the
33 provider's service area to the department of local government
34 finance, the department of local government finance shall use the
35 most recent certified net assessed valuation submitted by the
36 county auditor pursuant to IC 6-1.1-17-1 for the taxing unit served
37 by the provider to determine the service boundaries for the
38 provider. For purposes of this subsection, the service boundaries
39 of a provider may not include any area served under a mutual aid
40 agreement.

41 SECTION 110. IC 6-3.6-9-10, AS AMENDED BY P.L.68-2025,
42 SECTION 164, IS AMENDED TO READ AS FOLLOWS



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1 [EFFECTIVE JULY 1, 2028]: Sec. 10. The budget agency shall also
2 certify information concerning the part of the certified distribution that
3 is attributable to each of the following:

4 (1) The tax rate imposed under IC 6-3.6-5 (before its expiration).
5 This subdivision expires July 1, 2028: 2029.

6 (2) The tax rate imposed under IC 6-3.6-6, separately stating:
7 (A) the part of the distribution attributable to a tax rate
8 imposed under IC 6-3.6-6-2.5 (before its repeal);
9 (B) the part of the distribution attributable to a tax rate
10 imposed under IC 6-3.6-6-2.6 (before its repeal);
11 (C) the part of the distribution attributable to a tax rate
12 imposed under IC 6-3.6-6-2.7 (before its repeal);
13 (D) the part of the distribution attributable to a tax rate
14 imposed under IC 6-3.6-6-2.8 (before its repeal); and
15 (E) the part of the distribution attributable to a tax rate
16 imposed under IC 6-3.6-6-2.9 (before its repeal).

17 (3) Each tax rate imposed under IC 6-3.6-7.

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

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

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

27 (1) before January 1, 2028: 2029, from its trust account
28 established under this chapter; and

29 (2) after December 31, 2027: 2028, from the state and local
30 income tax holding account established under this chapter;

31 to the appropriate county treasurer on the first regular business day of
32 each month of that calendar year.

33 SECTION 112. IC 6-3.6-9-13, AS AMENDED BY P.L.68-2025,
34 SECTION 167, IS AMENDED TO READ AS FOLLOWS
35 [EFFECTIVE JULY 1, 2028]: Sec. 13. (a) All distributions from a trust
36 account established under this chapter shall be made by warrants issued
37 by the state comptroller to the treasurer of state ordering the
38 appropriate payments.

39 (b) This section expires December 31, 2027: 2028.

40 SECTION 113. IC 6-3.6-9-17.5, AS ADDED BY P.L.68-2025,
41 SECTION 171, IS AMENDED TO READ AS FOLLOWS
42 [EFFECTIVE JULY 1, 2028]: Sec. 17.5. After December 31, 2027;

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1 2028, the county's certified distribution amount for ~~2028~~ 2029 shall be
 2 maintained in the accounting for the county under section 21 of this
 3 chapter and transferred as set forth in section 21 of this chapter.

4 SECTION 114. IC 6-3.6-9-21, AS ADDED BY P.L.68-2025,
 5 SECTION 173, IS AMENDED TO READ AS FOLLOWS
 6 [EFFECTIVE JULY 1, 2028]: Sec. 21. (a) The budget agency shall
 7 maintain an accounting for each county imposing a tax based on annual
 8 returns filed by or for county taxpayers. Beginning after December 31,
 9 ~~2027~~, 2028, any undistributed amounts so accounted shall be held for
 10 purposes of the state and local income tax holding account.

11 (b) After December 1 but before December 31 of each year, the
 12 budget agency shall present to the budget committee a report of the
 13 following:

14 (1) An estimate of the monthly certified distribution amounts for
 15 the immediately succeeding calendar year.

16 (2) A description of the method used to determine the monthly
 17 estimates under subdivision (1).

18 (c) Beginning in ~~2028~~, 2029, and in each calendar year thereafter,
 19 the budget agency shall each month transfer to the state and local
 20 income tax holding account the amount determined for the month
 21 under subsection (b)(1) for distribution under this chapter.

22 (d) In the case of a county that imposes a tax rate under
 23 IC 6-3.6-6-2 or a municipality that imposes a tax rate under
 24 IC 6-3.6-6-22 beginning after December 31, ~~2027~~, 2028, the budget
 25 agency shall withhold, from each of the first three (3) annual certified
 26 distributions resulting from the tax rate, an amount equal to five
 27 percent (5%) of the county's or municipality's, as applicable, annual
 28 certified distribution resulting from the tax rate. The amounts withheld
 29 under this subsection shall be credited to the respective county's or
 30 municipality's trust account.

31 SECTION 115. IC 6-3.6-10-9, AS ADDED BY P.L.68-2025,
 32 SECTION 178, IS AMENDED TO READ AS FOLLOWS
 33 [EFFECTIVE MAY 10, 2025 (RETROACTIVE)]: Sec. 9. (a)
 34 Notwithstanding any other law, for bonds, leases, or any other
 35 obligations incurred after May 9, 2025, a county, city, town, and any
 36 other taxing unit may not pledge for payment from tax revenue
 37 received under this article an amount that exceeds an amount equal to
 38 twenty-five percent (25%) of the taxing unit's certified distribution
 39 under this article.

40 (b) This section expires July 1, ~~2027~~. 2028.

41 SECTION 116. IC 6-3.6-11-3, AS AMENDED BY P.L.68-2025,
 42 SECTION 180, IS AMENDED TO READ AS FOLLOWS

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1 [EFFECTIVE JULY 1, 2028]: Sec. 3. (a) This section applies to Lake
 2 County's categorizations, allocations, and distributions under IC 6-3.6-5
 3 (before its expiration).
 4 (b) The rate under the former tax in Lake County that was used for
 5 any of the following shall be categorized under IC 6-3.6-5 (before its
 6 expiration), and the Lake County council may adopt an ordinance
 7 providing that the revenue from the tax rate under this section may be
 8 used for any of the following:
 9 (1) To reduce all property tax levies imposed by the county by
 10 the granting of property tax replacement credits against those
 11 property tax levies.
 12 (2) To provide local property tax replacement credits in Lake
 13 County in the following manner:
 14 (A) The tax revenue under this section that is collected from
 15 taxpayers within a particular municipality in Lake County
 16 (as determined by the department of state revenue based on
 17 the department's best estimate) shall be used only to provide
 18 a local property tax credit against property taxes imposed by
 19 that municipality.
 20 (B) The tax revenue under this section that is collected from
 21 taxpayers within the unincorporated area of Lake County
 22 (as determined by the department of state revenue) shall be
 23 used only to provide a local property tax credit against
 24 property taxes imposed by the county. The local property
 25 tax credit for the unincorporated area of Lake County shall
 26 be available only to those taxpayers within the
 27 unincorporated area of the county.
 28 (3) To provide property tax credits in the following manner:
 29 (A) Sixty percent (60%) of the tax revenue shall be used as
 30 provided in subdivision (2).
 31 (B) Forty percent (40%) of the tax revenue shall be used to
 32 provide property tax replacement credits against property
 33 tax levies of the county and each township and municipality
 34 in the county. The percentage of the tax revenue distributed
 35 under this item that shall be used as credits against the
 36 county's levies or against a particular township's or
 37 municipality's levies is equal to the percentage determined
 38 by dividing the population of the county, township, or
 39 municipality by the sum of the total population of the
 40 county, each township in the county, and each municipality
 41 in the county.
 42 The Lake County council shall determine whether the credits under

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1 subdivision (1), (2), or (3) shall be provided to homesteads, to all
2 qualified residential property, or to all taxpayers. The department of
3 local government finance, with the assistance of the budget agency,
4 shall certify to the county auditor and the fiscal body of the county and
5 each township and municipality in the county the amount of property
6 tax credits under this section. The tax revenue under this section that
7 is used to provide credits under this section shall be treated for all
8 purposes as property tax levies but shall not be considered for purposes
9 of computing the maximum permissible property tax levy under
10 IC 6-1.1-18.5-3 or the credit under IC 6-1.1-20.6.

11 (c) Any ordinance adopted under subsection (b) expires December
12 31, 2027: 2028.

13 (d) This section expires July 1, 2028: 2031.

14 SECTION 117. IC 6-6-5-5, AS AMENDED BY P.L.230-2025,
15 SECTION 87, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
16 JANUARY 1, 2026 (RETROACTIVE)]: Sec. 5. A person that owns a
17 vehicle and that is entitled to a property tax deduction under
18 IC 6-1.1-12-13 (before its expiration), IC 6-1.1-12-14, or
19 IC 6-1.1-12-16 (before its expiration) is entitled to a credit against the
20 vehicle excise tax as follows: Any remaining deduction from assessed
21 valuation to which the person is entitled, applicable to property taxes
22 payable in the year in which the excise tax imposed by this chapter is
23 due, after allowance of the deduction on real estate and personal
24 property owned by the person, shall reduce the vehicle excise tax in the
25 amount of two dollars (\$2) on each one hundred dollars (\$100) of
26 taxable value or major portion thereof. The county auditor shall, upon
27 request, furnish a certified statement to the person verifying the credit
28 allowable under this section, and the statement shall be presented to
29 and retained by the bureau to support the credit.

30 SECTION 118. IC 6-6-5-5.2, AS AMENDED BY P.L.230-2025,
31 SECTION 88, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
32 JANUARY 1, 2026 (RETROACTIVE)]: Sec. 5.2. (a) This section
33 applies to a registration year beginning after December 31, 2013.

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

- 38 (1) The individual meets all the following requirements:
39 (A) The individual served in the military or naval forces of
40 the United States during any of its wars.
41 (B) The individual received an honorable discharge.
42 (C) The individual has a disability with a service connected

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- disability of ten percent (10%) or more.
- (D) The individual's disability is evidenced by:
 - (i) a pension certificate, an award of compensation, or a disability compensation check issued by the United States Department of Veterans Affairs; or
 - (ii) a certificate of eligibility issued to the individual by the Indiana department of veterans' affairs after the Indiana department of veterans' affairs has determined that the individual's disability qualifies the individual to receive a credit under this section.
- (E) The individual does not own property to which a property tax deduction may be applied under IC 6-1.1-12-13 **(before its expiration).**
- (2) The individual meets all the following requirements:
 - (A) The individual served in the military or naval forces of the United States for at least ninety (90) days.
 - (B) The individual received an honorable discharge.
 - (C) The individual either:
 - (i) has a total disability; or
 - (ii) is at least sixty-two (62) years of age and has a disability of at least ten percent (10%).
 - (D) The individual's disability is evidenced by:
 - (i) a pension certificate or an award of compensation issued by the United States Department of Veterans Affairs; or
 - (ii) a certificate of eligibility issued to the individual by the Indiana department of veterans' affairs after the Indiana department of veterans' affairs has determined that the individual's disability qualifies the individual to receive a credit under this section.
 - (E) The individual does not own property to which a property tax deduction may be applied under IC 6-1.1-12-14.
- (3) The individual meets both of the following requirements:
 - (A) The individual is the surviving spouse of any of the following:
 - (i) An individual who would have been eligible for a credit under this section if the individual had been alive in 2013 and this section had been in effect in 2013.
 - (ii) An individual who received a credit under this section in the previous calendar year.

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- 1 (iii) A World War I veteran.
- 2 (B) The individual does not own property to which a
- 3 property tax deduction may be applied under IC 6-1.1-12-13
- 4 (before its expiration), IC 6-1.1-12-14, or IC 6-1.1-12-16
- 5 (before its expiration).
- 6 (c) The amount of the credit that may be claimed under this
- 7 section is equal to the lesser of the following:
- 8 (1) The amount of the excise tax liability for the individual's
- 9 vehicle as determined under section 3 or 3.5 of this chapter, as
- 10 applicable.
- 11 (2) Seventy dollars (\$70).
- 12 (d) The maximum number of motor vehicles for which an
- 13 individual may claim a credit under this section is two (2).
- 14 (e) An individual may not claim a credit under both:
- 15 (1) this section; and
- 16 (2) section 5 of this chapter.
- 17 (f) The credit allowed by this section must be claimed on a form
- 18 prescribed by the bureau. An individual claiming the credit must attach
- 19 to the form an affidavit from the county auditor stating that the
- 20 claimant does not own property to which a property tax deduction may
- 21 be applied under IC 6-1.1-12-13 (before its expiration),
- 22 IC 6-1.1-12-14, or IC 6-1.1-12-16 (before its expiration).
- 23 SECTION 119. IC 6-6-5.1-2, AS AMENDED BY P.L.256-2017,
- 24 SECTION 43, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 25 UPON PASSAGE]: Sec. 2. The following definitions apply throughout
- 26 this chapter:
- 27 (1) "Bureau" refers to the bureau of motor vehicles.
- 28 (2) "Mobile home" has the meaning set forth in ~~IC 6-1.1-7-1.~~
- 29 **IC 9-13-2-103.2. The term includes a manufactured home (as**
- 30 **defined in IC 9-13-2-96(a)).**
- 31 (3) "Owner" means:
- 32 (A) in the case of a recreational vehicle, the person in
- 33 whose name the recreational vehicle is registered under
- 34 IC 9-18 (before its expiration) or IC 9-18.1; or
- 35 (B) in the case of a truck camper, the person holding title to
- 36 the truck camper.
- 37 (4) "Recreational vehicle" has the meaning set forth in
- 38 IC 9-13-2-150.
- 39 (5) "Truck camper" has the meaning set forth in IC 9-13-2-188.3.
- 40 SECTION 120. IC 6-6-6.5-13, AS AMENDED BY P.L.230-2025,
- 41 SECTION 89, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 42 JANUARY 1, 2026 (RETROACTIVE)]: Sec. 13. (a) As the basis for

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1 measuring the tax imposed by this chapter, the department shall
 2 classify every taxable aircraft in its proper class according to the
 3 following classification plan:

4	<u>CLASS</u>	<u>DESCRIPTION</u>
5	<u>A</u>	<u>Piston-driven</u>
6	<u>B</u>	<u>Piston-driven,</u>
7		<u>and Pressurized</u>
8	<u>C</u>	<u>Turbine driven</u>
9		<u>or other Powered</u>
10	<u>D</u>	<u>Homebuilt, Gliders, or</u>
11		<u>Hot Air Balloons</u>

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

15	<u>Age</u>	<u>Class A</u>	<u>Class B</u>	<u>Class C</u>	<u>Class D</u>
16	<u>0-4</u>	<u>\$.04/lb</u>	<u>\$.065/lb</u>	<u>\$.09/lb</u>	<u>\$.0175/lb</u>
17	<u>5-8</u>	<u>\$.035/lb</u>	<u>\$.055/lb</u>	<u>\$.08/lb</u>	<u>\$.015/lb</u>
18	<u>9-12</u>	<u>\$.03/lb</u>	<u>\$.05/lb</u>	<u>\$.07/lb</u>	<u>\$.0125/lb</u>
19	<u>13-16</u>	<u>\$.025/lb</u>	<u>\$.025/lb</u>	<u>\$.025/lb</u>	<u>\$.01/lb</u>
20	<u>17-25</u>	<u>\$.02/lb</u>	<u>\$.02/lb</u>	<u>\$.02/lb</u>	<u>\$.0075/lb</u>
21	<u>over 25</u>	<u>\$.01/lb</u>	<u>\$.01/lb</u>	<u>\$.01/lb</u>	<u>\$.005/lb</u>

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

- 26 (1) ninety percent (90%); or
- 27 (2) ten percent (10%) times the number of months remaining in
- 28 the registration year after the sale of the aircraft.

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

33 (d) A person who is entitled to a property tax deduction under
 34 IC 6-1.1-12-13 (before its expiration) or IC 6-1.1-12-14 is entitled to
 35 a credit against the tax imposed on the person's aircraft under this
 36 chapter. The credit equals the amount of the property tax deduction to
 37 which the person is entitled under IC 6-1.1-12-13 (before its
 38 expiration) and IC 6-1.1-12-14 minus the amount of that deduction
 39 used to offset the person's property taxes or vehicle excise taxes, times
 40 seven hundredths (.07). The credit may not exceed the amount of the
 41 tax due under this chapter. The county auditor shall, upon the person's
 42 request, furnish a certified statement showing the credit allowable

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1 under this subsection. The department may not allow a credit under this
2 subsection until the auditor's statement has been filed in the
3 department's office.

4 SECTION 121. IC 6-9-18-3, AS AMENDED BY THE
5 TECHNICAL CORRECTIONS BILL OF THE 2026 GENERAL
6 ASSEMBLY, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
7 JULY 1, 2026]: Sec. 3. (a) The fiscal body of a county may levy a tax
8 on every person engaged in the business of renting or furnishing, for
9 periods of less than thirty (30) days, any room or rooms, lodgings, or
10 accommodations in any:

- 11 (1) hotel;
- 12 (2) motel;
- 13 (3) boat motel;
- 14 (4) inn;
- 15 (5) college or university memorial union;
- 16 (6) college or university residence hall or dormitory; or
- 17 (7) tourist cabin;

18 located in the county.

19 (b) The tax does not apply to gross income received in a transaction
20 in which:

- 21 (1) a student rents lodgings in a college or university residence
22 hall while that student participates in a course of study for which
23 the student receives college credit from a college or university
24 located in the county; or
- 25 (2) a person rents a room, lodging, or accommodations for a
26 period of thirty (30) days or more.

27 (c) The tax may not exceed:

- 28 (1) the rate of five percent (5%) in a county other than a county
29 subject to subdivision (2), (3), ~~or~~ (4), **or (5);**
- 30 (2) after June 30, 2019, and except as provided in section 6.7 of
31 this chapter, the rate of eight percent (8%) in Howard County; ~~or~~
- 32 (3) after June 30, 2021, the rate of nine percent (9%) in Daviess
33 County;
- 34 **(4) after June 30, 2026, the rate of eight percent (8%) in**
35 **DeKalb County; or**
- 36 **(5) after June 30, 2026, the rate of eight percent (8%) in Noble**
37 **County.**

38 The tax is imposed on the gross retail income derived from lodging
39 income only and is in addition to the state gross retail tax imposed
40 under IC 6-2.5.

41 (d) The county fiscal body may adopt an ordinance to require that
42 the tax shall be paid monthly to the county treasurer. If such an

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1 ordinance is adopted, the tax shall be paid to the county treasurer not
2 more than twenty (20) days after the end of the month the tax is
3 collected. If such an ordinance is not adopted, the tax shall be imposed,
4 paid, and collected in exactly the same manner as the state gross retail
5 tax is imposed, paid, and collected under IC 6-2.5.

6 (e) All of the provisions of IC 6-2.5 relating to rights, duties,
7 liabilities, procedures, penalties, definitions, exemptions, and
8 administration are applicable to the imposition and administration of
9 the tax imposed under this section except to the extent those provisions
10 are in conflict or inconsistent with the specific provisions of this
11 chapter or the requirements of the county treasurer. If the tax is paid to
12 the department of state revenue, the return to be filed for the payment
13 of the tax under this section may be either a separate return or may be
14 combined with the return filed for the payment of the state gross retail
15 tax as the department of state revenue may, by rule, determine.

16 (f) If the tax is paid to the department of state revenue, the amounts
17 received from the tax imposed under this section shall be paid monthly
18 by the treasurer of state to the county treasurer upon warrants issued by
19 the state comptroller.

20 SECTION 122]. IC 6-9-32-3, AS AMENDED BY P.L.9-2024,
21 SECTION 245, IS AMENDED TO READ AS FOLLOWS
22 [EFFECTIVE JULY 1, 2026]: Sec. 3. (a) The fiscal body of a county
23 may levy a tax on every person engaged in the business of renting or
24 furnishing, for periods of less than thirty (30) days, any room or rooms,
25 lodgings, or accommodations in any:

- 26 (1) hotel;
- 27 (2) motel;
- 28 (3) boat motel;
- 29 (4) inn; or
- 30 (5) tourist cabin;

31 located in the county.

32 (b) The tax does not apply to gross income received in a transaction
33 in which a person rents a room, lodging, or accommodations for a
34 period of thirty (30) days or more.

35 (c) The tax may not exceed the rate of ~~five percent (5%)~~ **eight**
36 **percent (8%)** on the gross retail income derived from lodging income
37 only and is in addition to the state gross retail tax imposed under
38 IC 6-2.5.

39 (d) The county fiscal body may adopt an ordinance to require that
40 the tax shall be paid monthly to the county treasurer. If such an
41 ordinance is adopted, the tax shall be paid to the county treasurer not
42 more than twenty (20) days after the end of the month the tax is

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1 collected. If such an ordinance is not adopted, the tax shall be imposed,
2 paid, and collected in exactly the same manner as the state gross retail
3 tax is imposed, paid, and collected under IC 6-2.5.

4 (e) All of the provisions of IC 6-2.5 relating to rights, duties,
5 liabilities, procedures, penalties, definitions, exemptions, and
6 administration are applicable to the imposition and administration of
7 the tax imposed under this section except to the extent those provisions
8 are in conflict or inconsistent with the specific provisions of this
9 chapter or the requirements of the county treasurer. If the tax is paid to
10 the department of state revenue, the return to be filed for the payment
11 of the tax under this section may be either a separate return or may be
12 combined with the return filed for the payment of the state gross retail
13 tax as the department of state revenue may, by rule, determine.

14 (f) If the tax is paid to the department of state revenue, the amounts
15 received from the tax imposed under this section shall be paid monthly
16 by the treasurer of state to the county treasurer upon warrants issued by
17 the state comptroller.

18 SECTION ~~43~~ [123. IC 6-9-78.2 IS ADDED TO THE INDIANA
19 CODE AS A NEW CHAPTER TO READ AS FOLLOWS
20 [EFFECTIVE UPON PASSAGE]:

21 **Chapter 78.2. Rush County Food and Beverage Tax**

22 **Sec. 1. This chapter applies to Rush County.**

23 **Sec. 2. The definitions in IC 6-9-12-1 apply throughout this**
24 **chapter.**

25 **Sec. 3. (a) The fiscal body of the county may adopt an ordinance**
26 **on or before December 31, 2026, to impose an excise tax, known as**
27 **the county food and beverage tax, on transactions described in**
28 **section 4 of this chapter. The fiscal body of the county may adopt**
29 **an ordinance under this subsection only after the county fiscal**
30 **body has previously held at least one (1) separate public hearing in**
31 **which a discussion of the proposed ordinance to impose the county**
32 **food and beverage tax is the only substantive issue on the agenda**
33 **for the public hearing.**

34 **(b) If the county fiscal body adopts an ordinance under**
35 **subsection (a), the county fiscal body shall immediately send a**
36 **certified copy of the ordinance to the department of state revenue.**

37 **(c) If the county fiscal body adopts an ordinance under**
38 **subsection (a), the county food and beverage tax applies to**
39 **transactions that occur after the later of the following:**

40 **(1) The day specified in the ordinance.**

41 **(2) The last day of the month that succeeds the month in**
42 **which the ordinance is adopted.**



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1 Sec. 4. (a) Except as provided in subsection (c), a tax imposed
 2 under section 3 of this chapter applies to a transaction in which
 3 food or beverage is furnished, prepared, or served:

4 (1) for consumption at a location or on equipment provided by
 5 a retail merchant;

6 (2) in the county in which the tax is imposed; and

7 (3) by a retail merchant for consideration.

8 (b) Transactions described in subsection (a)(1) include
 9 transactions in which food or beverage is:

10 (1) served by a retail merchant off the merchant's premises;

11 (2) sold in a heated state or heated by a retail merchant;

12 (3) made of two (2) or more food ingredients, mixed or
 13 combined by a retail merchant for sale as a single item (other
 14 than food that is only cut, repackaged, or pasteurized by the
 15 seller, and eggs, fish, meat, poultry, and foods containing these
 16 raw animal foods requiring cooking by the consumer as
 17 recommended by the federal Food and Drug Administration
 18 in chapter 3, subpart 3-401.11 of its Food Code so as to
 19 prevent food borne illnesses); or

20 (4) sold with eating utensils provided by a retail merchant,
 21 including plates, knives, forks, spoons, glasses, cups, napkins,
 22 or straws (for purposes of this subdivision, a plate does not
 23 include a container or package used to transport food).

24 (c) The county food and beverage tax does not apply to the
 25 furnishing, preparing, or serving of a food or beverage in a
 26 transaction that is exempt, or to the extent the transaction is
 27 exempt, from the state gross retail tax imposed by IC 6-2.5.

28 Sec. 5. The county food and beverage tax rate:

29 (1) must be imposed in an increment of twenty-five
 30 hundredths percent (0.25%); and

31 (2) may not exceed one percent (1%);

32 of the gross retail income received by the merchant from the food
 33 or beverage transaction described in section 4 of this chapter. For
 34 purposes of this chapter, the gross retail income received by the
 35 retail merchant from a transaction does not include the amount of
 36 tax imposed on the transaction under IC 6-2.5.

37 Sec. 6. A tax imposed under this chapter is imposed, paid, and
 38 collected in the same manner that the state gross retail tax is
 39 imposed, paid, and collected under IC 6-2.5. However, the return
 40 to be filed with the payment of the tax imposed under this chapter
 41 may be made on a separate return or may be combined with the
 42 return filed for the payment of the state gross retail tax, as



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1 prescribed by the department of state revenue.

2 Sec. 7. The amounts received from the tax imposed under this
 3 chapter shall be paid monthly by the treasurer of state to the
 4 county fiscal officer upon warrants issued by the state comptroller.

5 Sec. 8. (a) If a tax is imposed under section 3 of this chapter by
 6 the county, the county fiscal officer shall establish a food and
 7 beverage tax receipts fund.

8 (b) The county fiscal officer shall deposit in the fund all amounts
 9 received under this chapter.

10 (c) Money earned from the investment of money in the fund
 11 becomes a part of the fund.

12 Sec. 9. Money in the food and beverage tax receipts fund must
 13 be used by the county only for the following purposes:

14 (1) Economic development and tourism related purposes or
 15 facilities, including the purchase of land for economic
 16 development or tourism related purposes.

17 (2) The pledge of money under IC 5-1-14-4 for bonds, leases,
 18 or other obligations incurred for a purpose described in
 19 subdivision (1).

20 Revenue derived from the imposition of a tax under this chapter
 21 may be treated by the county as additional revenue for the purpose
 22 of fixing its budget for the budget year during which the revenues
 23 are to be distributed to the county.

24 Sec. 10. With respect to obligations for which a pledge has been
 25 made under section 9 of this chapter, the general assembly
 26 covenants with the holders of the obligations that this chapter will
 27 not be repealed or amended in a manner that will adversely affect
 28 the imposition or collection of the tax imposed under this chapter
 29 if the payment of any of the obligations is outstanding.

30 Sec. 11. (a) If the county imposes the tax authorized by this
 31 chapter, the tax terminates on July 1, 2049.

32 (b) This chapter expires July 1, 2049.

33 SECTION 124. IC 6-9-78.3 IS ADDED TO THE INDIANA CODE
 34 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE
 35 JULY 1, 2026]:

36 Chapter 78.3. Greendale Food and Beverage Tax

37 Sec. 1. This chapter applies to the city of Greendale.

38 Sec. 2. The definitions in IC 6-9-12-1 apply throughout this
 39 chapter.

40 Sec. 3. (a) The fiscal body of the city may adopt an ordinance to
 41 impose an excise tax, known as the city food and beverage tax, on
 42 transactions described in section 4 of this chapter. The fiscal body



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1 of the city may adopt an ordinance under this subsection only after
2 the city fiscal body has previously:

3 (1) adopted a resolution in support of the proposed city food
4 and beverage tax; and

5 (2) held at least one (1) separate public hearing in which a
6 discussion of the proposed ordinance to impose the city food
7 and beverage tax is the only substantive issue on the agenda
8 for the public hearing.

9 (b) If the city fiscal body adopts an ordinance under subsection
10 (a), the city fiscal body shall immediately send a certified copy of
11 the ordinance to the department of state revenue.

12 (c) If the city fiscal body adopts an ordinance under subsection
13 (a), the city food and beverage tax applies to transactions that
14 occur after the last day of the month following the month in which
15 the ordinance is adopted.

16 Sec. 4. (a) Except as provided in subsection (c), a tax imposed
17 under section 3 of this chapter applies to a transaction in which
18 food or beverage is furnished, prepared, or served:

19 (1) for consumption at a location or on equipment provided by
20 a retail merchant;

21 (2) in the city; and

22 (3) by a retail merchant for consideration.

23 (b) Transactions described in subsection (a)(1) include
24 transactions in which food or beverage is:

25 (1) served by a retail merchant off the merchant's premises;

26 (2) sold in a heated state or heated by a retail merchant;

27 (3) made of two (2) or more food ingredients, mixed or
28 combined by a retail merchant for sale as a single item (other
29 than food that is only cut, repackaged, or pasteurized by the
30 seller, and eggs, fish, meat, poultry, and foods containing these
31 raw animal foods requiring cooking by the consumer as
32 recommended by the federal Food and Drug Administration
33 in chapter 3, subpart 3-401.11 of its Food Code so as to
34 prevent food borne illnesses); or

35 (4) sold with eating utensils provided by a retail merchant,
36 including plates, knives, forks, spoons, glasses, cups, napkins,
37 or straws (for purposes of this subdivision, a plate does not
38 include a container or package used to transport the food).

39 (c) The city food and beverage tax does not apply to the
40 furnishing, preparing, or serving of a food or beverage in a
41 transaction that is exempt, or to the extent the transaction is
42 exempt, from the state gross retail tax imposed by IC 6-2.5.

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1 Sec. 5. The city food and beverage tax rate:

2 (1) must be imposed in an increment of twenty-five
 3 hundredths percent (0.25%); and

4 (2) may not exceed one percent (1%);

5 of the gross retail income received by the merchant from the food
 6 or beverage transaction described in section 4 of this chapter. For
 7 purposes of this chapter, the gross retail income received by the
 8 retail merchant from a transaction does not include the amount of
 9 tax imposed on the transaction under IC 6-2.5.

10 Sec. 6. A tax imposed under this chapter shall be imposed, paid,
 11 and collected in the same manner that the state gross retail tax is
 12 imposed, paid, and collected under IC 6-2.5. However, the return
 13 to be filed with the payment of the tax imposed under this chapter
 14 may be made on a separate return or may be combined with the
 15 return filed for the payment of the state gross retail tax, as
 16 prescribed by the department of state revenue.

17 Sec. 7. The amounts received from the tax imposed under this
 18 chapter shall be paid monthly by the treasurer of state to the city
 19 fiscal officer upon warrants issued by the state comptroller.

20 Sec. 8. (a) If a tax is imposed under section 3 of this chapter by
 21 the city, the city fiscal officer shall establish a food and beverage
 22 tax receipts fund.

23 (b) The city fiscal officer shall deposit in the fund all amounts
 24 received under this chapter.

25 (c) Money earned from the investment of money in the fund
 26 becomes a part of the fund.

27 Sec. 9. Money in the food and beverage tax receipts fund must
 28 be used by the city only for the following purposes:

29 (1) Park and recreation purposes, including the purchase of
 30 land for park and recreation purposes.

31 (2) Economic development and tourism related purposes or
 32 facilities, including the purchase of land for economic
 33 development or tourism related purposes.

34 (3) The pledge of money under IC 5-1-14-4 for bonds, leases,
 35 or other obligations incurred for a purpose described in
 36 subdivisions (1) and (2).

37 Sec. 10. With respect to obligations for which a pledge has been
 38 made under section 9 of this chapter, the general assembly
 39 covenants with the holders of the obligations that this chapter will
 40 not be repealed or amended in a manner that will adversely affect
 41 the imposition or collection of the tax imposed under this chapter
 42 if the payment of any of the obligations is outstanding.



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1 Sec. 11. (a) If the city imposes the tax authorized by this chapter,
2 the tax terminates on January 1, 2048.

3 (b) This chapter expires January 1, 2048.

4 SECTION 125]. IC 8-22-3.5-11, AS AMENDED BY P.L.86-2018,
5 SECTION 144, IS AMENDED TO READ AS FOLLOWS
6 [EFFECTIVE ~~JULY 1, 2026~~ [UPON PASSAGE]]: Sec. 11. (a) The
7 state board of accounts and the department of local government finance
8 shall make the rules and prescribe the forms and procedures that the
9 state board of accounts and department consider appropriate for the
10 implementation of this chapter.

11 (b) After each reassessment under IC 6-1.1-4, the ~~department of~~
12 ~~local government finance county auditor~~ shall, **on forms prescribed**
13 **by the department of local government finance**, adjust the base
14 assessed value (as defined in section 9 of this chapter) one (1) time to
15 neutralize any effect of the reassessment on the property tax proceeds
16 allocated to the airport development zone's special funds under section
17 9 of this chapter.

18 (c) After each annual adjustment under IC 6-1.1-4-4.5, the ~~department of~~
19 ~~local government finance county auditor~~ shall, **on**
20 **forms prescribed by the department of local government finance,**
21 **adjust the base assessed value** (as defined in section 9 of this
22 chapter) to neutralize any effect of the annual adjustment on the
23 property tax proceeds allocated to the airport development zone's
24 special funds under section 9 of this chapter.

25 (d) **The county auditor shall, in the manner prescribed by the**
26 **department of local government finance, submit the forms**
27 **required by this section to the department of local government**
28 **finance no later than July 15 of each year. If the county auditor**
29 **fails to submit the forms by the deadline under this subsection, the**
30 **county auditor shall 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. However, if the commission notifies the**
34 **county auditor and the department of local government finance, no**
35 **later than July 15, that it is unable to meet its debt service**
36 **obligations with regard to the allocation area without all or part of**
37 **the allocated tax proceeds attributed to the assessed value that has**
38 **been allocated to the respective taxing units, then the county**
39 **auditor may not allocate five percent (5%) of the assessed value in**
40 **the allocation area that is used to calculate the allocation and**
41 **distribution of allocated tax proceeds under this section to the**
42 **respective taxing units.**

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1 SECTION ~~44~~[126. IC 9-13-2-96, AS AMENDED BY
2 P.L.42-2025, SECTION 8, IS AMENDED TO READ AS FOLLOWS
3 [EFFECTIVE UPON PASSAGE]: Sec. 96. (a) "Manufactured home",
4 means; except as provided in subsections (b) and (c); a structure that:

- 5 (1) is assembled in a factory;
6 (2) bears a seal certifying that it was built in compliance with the
7 federal Manufactured Housing Construction and Safety Standards
8 Law (42 U.S.C. 5401 et seq.);
9 (3) is designed to be transported from the factory to another site
10 in one (1) or more units;
11 (4) is suitable for use as a dwelling in any season; and
12 (5) is more than thirty-five (35) feet long.

13 The term does not include a vehicle described in section 150(a)(2) of
14 this chapter.

15 (b) "Manufactured home", for purposes of IC 9-17-6, means either
16 of the following:

- 17 (1) A structure having the meaning set forth in the federal
18 Manufactured Housing Construction and Safety Standards Law of
19 1974 (42 U.S.C. 5401 et seq.);
20 (2) A mobile home.

21 This subsection expires June 30, 2016: subsection (b), has the
22 meaning set forth in 42 U.S.C. 5402(6), as amended. However, the
23 term also includes a structure that meets the definition and is more
24 than thirty-five (35) body feet in length but less than forty (40)
25 body feet in length.

26 (c) (b) "Manufactured home", for purposes of IC 9-22-1.7, has the
27 meaning set forth in IC 9-22-1.7-2.

28 SECTION 127. IC 9-22-1.5-1, AS AMENDED BY P.L.256-2017,
29 SECTION 163, IS AMENDED TO READ AS FOLLOWS
30 [EFFECTIVE UPON PASSAGE]: Sec. 1. As used in this chapter,
31 "mobile home" means a nonself-propelled vehicle designed for
32 occupancy as a dwelling or sleeping place: **has the meaning set forth**
33 **in IC 9-13-2-103.2. The term includes a manufactured home (as**
34 **defined in IC 9-13-2-96(a)).**

35 SECTION 128. IC 9-22-1.7-2, AS ADDED BY P.L.198-2016,
36 SECTION 377, IS AMENDED TO READ AS FOLLOWS
37 [EFFECTIVE UPON PASSAGE]: Sec. 2. As used in this chapter,
38 "manufactured home" means either of the following:

- 39 (1) A nonself-propelled vehicle designed for occupancy as a
40 dwelling or sleeping place: **A manufactured home as defined in**
41 **IC 9-13-2-96(a).**
42 (2) A dwelling; including the equipment sold as a part of the



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dwelling, that:
(A) is factory assembled;
(B) is transportable;
(C) is intended for year-round occupancy;
(D) is designed for transportation on its own chassis; and
(E) was manufactured before the effective date of the federal
Manufactured Housing Construction and Safety Standards
Law of 1974 (42 U.S.C. 5401 et seq.): A mobile home (as
defined in IC 9-13-2-103.2).

SECTION 129. IC 16-18-2-215.5, AS ADDED BY P.L.87-2005,
SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
UPON PASSAGE]: Sec. 215.5. "Manufactured home", for purposes of
IC 16-41-27, has the meaning set forth in ~~IC 22-12-1-16.~~
IC 9-13-2-96(a). The term includes a mobile home (as defined in
IC 9-13-2-103.2).

SECTION 130. IC 16-18-2-238 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 238. "Mobile
home", for purposes of IC 16-41-27, has meaning set forth in
~~IC 16-41-27-4.~~ **IC 9-13-2-103.2. The term includes a manufactured**
home (as defined in IC 9-13-2-96(a)).

SECTION 131. IC 16-41-27-3.5, AS ADDED BY P.L.87-2005,
SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
UPON PASSAGE]: Sec. 3.5. As used in this chapter, "manufactured
home" has the meaning set forth in ~~IC 22-12-1-16.~~ **IC 9-13-2-96(a).**
The term includes a mobile home (as defined in IC 9-13-2-103.2).

SECTION 132. IC 16-41-27-4, AS AMENDED BY P.L.87-2005,
SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
UPON PASSAGE]: Sec. 4. As used in this chapter, "mobile home"
means a dwelling, including the equipment sold as a part of the
dwelling, that:

(1) is factory assembled;
(2) is transportable;
(3) is intended for year-round occupancy;
(4) is designed for transportation on its own chassis; and
(5) was manufactured before the effective date of the federal
Manufactured Housing Construction and Safety Standards Law of
1974 (42 U.S.C. 5401 et seq.): has the meaning set forth in
IC 9-13-2-103.2. The term includes a manufactured home (as
defined in IC 9-13-2-96(a)).

SECTION 133. IC 22-12-1-14 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 14. "Industrialized
building system" means any part of a building or other structure that is

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1 in whole or in substantial part fabricated in an off-site manufacturing
2 facility for installation or assembly at the building site as part of a Class
3 1 structure, a Class 2 structure, or another building or structure.
4 However, the term does not include a mobile structure, a
5 **manufactured home**, or a system that is capable of inspection at the
6 building site.

7 SECTION 134. IC 22-12-1-16, AS AMENDED BY P.L.198-2016,
8 SECTION 651, IS AMENDED TO READ AS FOLLOWS
9 [EFFECTIVE UPON PASSAGE]: Sec. 16. "Manufactured home" has
10 the meaning set forth in 42 U.S.C. 5402 as it existed on January 1,
11 **2003. IC 9-13-2-96(a).** The term includes a mobile home (as defined
12 **in IC 16-41-27-4); as defined in IC 9-13-2-103.2.**

13 SECTION 135. IC 22-12-1-17, AS AMENDED BY P.L.101-2006,
14 SECTION 31, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
15 UPON PASSAGE]: Sec. 17. (a) "Mobile structure" means any part of
16 a fabricated unit that is designed to be:

- 17 (1) towed on its own with or without a permanent chassis; and
- 18 (2) connected to utilities for year-round occupancy or use as a
19 Class 1 structure, a Class 2 structure, or another structure.

- 20 (b) The term includes the following:
 - 21 (1) Two (2) or more components that can be retracted for towing
22 purposes and subsequently expanded for additional capacity.
 - 23 (2) Two (2) or more units that are separately towable but designed
24 to be joined into one (1) integral unit.
 - 25 (3) One (1) or more units that include a hoisting and lowering
26 mechanism equipped with a platform that:
 - 27 (A) moves between two (2) or more landings; and
 - 28 (B) is used to transport one (1) or more individuals.

29 SECTION 136. IC 25-23.7-2-7, AS AMENDED BY P.L.87-2005,
30 SECTION 33, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
31 UPON PASSAGE]: Sec. 7. "Manufactured home" means a:

- 32 (1) dwelling meeting the definition set forth in IC 22-12-1-16; or
- 33 (2) mobile home being installed in a mobile home community;
34 **has the meaning set forth in IC 9-13-2-96(a). The term**
35 **includes a mobile home (as defined in IC 9-13-2-103.2).**

36 SECTION 137. IC 25-23.7-2-7.5, AS ADDED BY P.L.87-2005,
37 SECTION 34, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
38 UPON PASSAGE]: Sec. 7.5. "Mobile home" has the meaning set forth
39 in IC 16-41-27-4. IC 9-13-2-103.2. The term includes a
40 **manufactured home (as defined in IC 9-13-2-96(a)).**

41 SECTION 138. IC 25-23.7-3-8, AS AMENDED BY P.L.84-2016,
42 SECTION 108, IS AMENDED TO READ AS FOLLOWS

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1 [EFFECTIVE UPON PASSAGE]; Sec. 8. The board shall:
2 (1) enforce and administer this article;
3 (2) adopt rules under IC 4-22-2 for the administration and
4 enforcement of this article, including competency standards and
5 a code of ethics for licensed installers;
6 (3) prescribe the requirements for and the form of licenses issued
7 or renewed under this article;
8 (4) issue, deny, suspend, and revoke licenses in accordance with
9 this article;
10 (5) in accordance with IC 25-1-7, investigate and prosecute
11 complaints involving licensees or individuals the board has
12 reason to believe should be licensees, including complaints
13 concerning the failure to comply with this article or rules adopted
14 under this article;
15 (6) bring actions in the name of the state of Indiana in an
16 appropriate circuit court, superior court, or probate court to
17 enforce compliance with this article or rules adopted under this
18 article;
19 (7) establish fees in accordance with IC 25-1-8;
20 (8) inspect the records of a licensee in accordance with rules
21 adopted by the board;
22 (9) conduct or designate a board member or other representative
23 to conduct public hearings on any matter for which a hearing is
24 required under this article and to exercise all powers granted
25 under IC 4-21.5; and
26 (10) maintain the board's office, files, records, and property in the
27 city of Indianapolis; and
28 (11) ensure any certification or recertification required by 42
29 U.S.C. 5403, as amended, or any other provision of the federal
30 Manufactured Housing Construction and Safety Standards
31 Law (42 U.S.C. 5401 et seq.), is submitted to or has been
32 included in a plan submitted to the secretary of the United
33 States Department of Housing and Urban Development.
34 SECTION 139. IC 26-1-9.1-102, AS AMENDED BY P.L. 199-2023,
35 SECTION 40, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
36 UPON PASSAGE]; Sec. 102. (a) In IC 26-1-9.1:
37 (1) "Accession" means goods that are physically united with other
38 goods in such a manner that the identity of the original goods is
39 not lost.
40 (2) "Account", except as used in "account for", "account
41 statement", "account to", "commodity account" in subdivision
42 (14), "customer's account", "deposit account" in subdivision (29),

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1 "on account of", and "statement of account", means a right to
 2 payment of a monetary obligation, whether or not earned by
 3 performance:

4 (A) for property that has been or is to be sold, leased, licensed,
 5 assigned, or otherwise disposed of;

6 (B) for services rendered or to be rendered;

7 (C) for a policy of insurance issued or to be issued;

8 (D) for a secondary obligation incurred or to be incurred;

9 (E) for energy provided or to be provided;

10 (F) for the use or hire of a vessel under a charter or other
 11 contract;

12 (G) arising out of the use of a credit or charge card or
 13 information contained on or for use with the card; or

14 (H) as winnings in a lottery or other game of chance operated
 15 or sponsored by a state other than Indiana, a governmental unit
 16 of a state, or a person licensed or authorized to operate the
 17 game by a state or governmental unit of a state.

18 The term does not include a right to a payment of a prize awarded
 19 by the state lottery commission in the Indiana state lottery
 20 established under IC 4-30. The term includes controllable
 21 accounts and health-care-insurance receivables. The term does
 22 not include (i) chattel paper, (ii) commercial tort claims, (iii)
 23 deposit accounts, (iv) investment property, (v) letter-of-credit
 24 rights or letters of credit, (vi) rights to payment for money or
 25 funds advanced or sold, other than rights arising out of the use of
 26 a credit or charge card or information contained on or for use with
 27 the card, or (vii) rights to payment evidenced by an instrument.

28 (3) "Account debtor" means a person obligated on an account,
 29 chattel paper, or general intangible. The term does not include
 30 persons obligated to pay a negotiable instrument, even if the
 31 negotiable instrument evidences chattel paper.

32 (4) "Accounting", except as used in "accounting for", means a
 33 record:

34 (A) signed by a secured party;

35 (B) indicating the aggregate unpaid secured obligations as of
 36 a date not more than thirty-five (35) days earlier or thirty-five
 37 (35) days later than the date of the record; and

38 (C) identifying the components of the obligations in
 39 reasonable detail.

40 (5) "Agricultural lien" means an interest, other than a security
 41 interest, in farm products:

42 (A) that secures payment or performance of an obligation for:

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- 1 (i) goods or services furnished in connection with a debtor's
- 2 farming operation; or
- 3 (ii) rent on real property leased by a debtor in connection
- 4 with the debtor's farming operation;
- 5 (B) that is created by statute in favor of a person that:
- 6 (i) in the ordinary course of its business furnished goods or
- 7 services to a debtor in connection with the debtor's farming
- 8 operation; or
- 9 (ii) leased real property to a debtor in connection with the
- 10 debtor's farming operation; and
- 11 (C) whose effectiveness does not depend on the person's
- 12 possession of the personal property.
- 13 (6) "As-extracted collateral" means:
- 14 (A) oil, gas, or other minerals that are subject to a security
- 15 interest that:
- 16 (i) is created by a debtor having an interest in the minerals
- 17 before extraction; and
- 18 (ii) attaches to the minerals as extracted; or
- 19 (B) accounts arising out of the sale at the wellhead or
- 20 minehead of oil, gas, or other minerals in which the debtor had
- 21 an interest before extraction.
- 22 (7) The following terms have the following meanings:
- 23 (A) "Assignee", except as used in "assignee for benefit of
- 24 creditors", means a person (i) in whose favor a security interest
- 25 that secures an obligation is created or provided for under a
- 26 security agreement, whether or not the obligation is
- 27 outstanding or (ii) to which an account, chattel paper, payment
- 28 intangible, or promissory note has been sold. The term
- 29 includes a person to which a security interest has been
- 30 transferred by a secured party.
- 31 (B) "Assignor" means a person that (i) under a security
- 32 agreement creates or provides for a security interest that
- 33 secures an obligation or (ii) sells an account, chattel paper,
- 34 payment intangible, or promissory note. The term includes a
- 35 secured party that has transferred a security interest to another
- 36 person.
- 37 (8) "Bank" means an organization that is engaged in the business
- 38 of banking. The term includes savings banks, savings and loan
- 39 associations, credit unions, and trust companies.
- 40 (9) "Cash proceeds" means proceeds that are money, checks,
- 41 deposit accounts, or the like.
- 42 (10) "Certificate of title" means a certificate of title with respect

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1 to which a statute provides for the security interest in question to
 2 be indicated on the certificate as a condition or result of the
 3 security interest's obtaining priority over the rights of a lien
 4 creditor with respect to the collateral. The term includes another
 5 record maintained as an alternative to a certificate of title by the
 6 governmental unit that issues certificates of title if a statute
 7 permits the security interest in question to be indicated on the
 8 record as a condition or result of the security interest's obtaining
 9 priority over the rights of a lien creditor with respect to the
 10 collateral.

11 (11) "Chattel paper" means:

12 (A) a right to payment of a monetary obligation secured by
 13 specific goods, if the right to payment and security interest are
 14 evidenced by a record; or

15 (B) a right to payment of a monetary obligation owed by a
 16 lessee under a lease agreement with respect to specific goods
 17 and a monetary obligation owed by the lessee in connection
 18 with the transaction giving rise to the lease if:

19 (i) the right to payment and lease agreement are evidenced
 20 by a record; and

21 (ii) the predominant purpose of the transaction giving rise to
 22 the lease was to give the lessee the right to possession and
 23 use of the goods.

24 The term does not include a right to payment arising out of a
 25 charter or other contract involving the use or hire of a vessel, or
 26 a right to payment arising out of the use of a credit or charge card
 27 or information contained on or for use with the card.

28 (12) "Collateral" means the property subject to a security interest
 29 or agricultural lien. The term includes:

30 (A) proceeds to which a security interest attaches;

31 (B) accounts, chattel paper, payment intangibles, and
 32 promissory notes that have been sold; and

33 (C) goods that are the subject of a consignment.

34 (13) "Commercial tort claim" means a claim arising in tort with
 35 respect to which:

36 (A) the claimant is an organization; or

37 (B) the claimant is an individual and the claim:

38 (i) arose in the course of the claimant's business or
 39 profession; and

40 (ii) does not include damages arising out of personal injury
 41 to or the death of an individual.

42 (14) "Commodity account" means an account maintained by a

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1 commodity intermediary in which a commodity contract is carried
 2 for a commodity customer.

3 (15) "Commodity contract" means a commodity futures contract,
 4 an option on a commodity futures contract, a commodity option,
 5 or another contract if the contract or option is:

6 (A) traded on or subject to the rules of a board of trade that has
 7 been designated as a contract market for such a contract
 8 pursuant to federal commodities laws; or

9 (B) traded on a foreign commodity board of trade, exchange,
 10 or market, and is carried on the books of a commodity
 11 intermediary for a commodity customer.

12 (16) "Commodity customer" means a person for which a
 13 commodity intermediary carries a commodity contract on its
 14 books.

15 (17) "Commodity intermediary" means a person that:

16 (A) is registered as a futures commission merchant under
 17 federal commodities law; or

18 (B) in the ordinary course of its business provides clearance or
 19 settlement services for a board of trade that has been
 20 designated as a contract market pursuant to federal
 21 commodities law.

22 (18) "Communicate" means:

23 (A) to send a written or other tangible record;

24 (B) to transmit a record by any means agreed upon by the
 25 persons sending and receiving the record; or

26 (C) in the case of transmission of a record to or by a filing
 27 office, to transmit a record by any means prescribed by
 28 filing-office rule.

29 (19) "Consignee" means a merchant to which goods are delivered
 30 in a consignment.

31 (20) "Consignment" means a transaction, regardless of its form,
 32 in which a person delivers goods to a merchant for the purpose of
 33 sale and:

34 (A) the merchant:

35 (i) deals in goods of that kind under a name other than the
 36 name of the person making delivery;

37 (ii) is not an auctioneer; and

38 (iii) is not generally known by its creditors to be
 39 substantially engaged in selling the goods of others;

40 (B) with respect to each delivery, the aggregate value of the
 41 goods is one thousand dollars (\$1,000) or more at the time of
 42 delivery;



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- 1 (C) the goods are not consumer goods immediately before
- 2 delivery; and
- 3 (D) the transaction does not create a security interest that
- 4 secures an obligation.
- 5 (21) "Consignor" means a person that delivers goods to a
- 6 consignee in a consignment.
- 7 (22) "Consumer debtor" means a debtor in a consumer
- 8 transaction.
- 9 (23) "Consumer goods" means goods that are used or bought for
- 10 use primarily for personal, family, or household purposes.
- 11 (24) "Consumer-goods transaction" means a consumer transaction
- 12 in which:
- 13 (A) an individual incurs an obligation primarily for personal,
- 14 family, or household purposes; and
- 15 (B) a security interest in consumer goods secures the
- 16 obligation.
- 17 (25) "Consumer obligor" means an obligor who is an individual
- 18 and who incurred the obligation as part of a transaction entered
- 19 into primarily for personal, family, or household purposes.
- 20 (26) "Consumer transaction" means a transaction in which (i) an
- 21 individual incurs an obligation primarily for personal, family, or
- 22 household purposes, (ii) a security interest secures the obligation,
- 23 and (iii) the collateral is held or acquired primarily for personal,
- 24 family, or household purposes. The term includes
- 25 consumer-goods transactions.
- 26 (27) The following terms have the following meanings:
- 27 (A) "Continuation statement" means an amendment of a
- 28 financing statement that:
- 29 (i) identifies, by its file number, the initial financing
- 30 statement to which it relates; and
- 31 (ii) indicates that it is a continuation statement for, or that it
- 32 is filed to continue the effectiveness of, the identified
- 33 financing statement.
- 34 (B) "Controllable account" means an account evidenced by a
- 35 controllable electronic record that provides that the account
- 36 debtor undertakes to pay the person that has control under
- 37 IC 26-1-12-105 of the controllable electronic record.
- 38 (C) "Controllable payment intangible" means a payment
- 39 intangible evidenced by a controllable electronic record that
- 40 provides that the account debtor undertakes to pay the person
- 41 that has control under IC 26-1-12-105 of the controllable
- 42 electronic record.

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- 1 (28) "Debtor" means:
 2 (A) a person having an interest, other than a security interest
 3 or other lien, in the collateral, whether or not the person is an
 4 obligor;
 5 (B) a seller of accounts, chattel paper, payment intangibles, or
 6 promissory notes; or
 7 (C) a consignee.
 8 (29) "Deposit account" means a demand, time, savings, passbook,
 9 or similar account maintained with a bank. The term does not
 10 include investment property or accounts evidenced by an
 11 instrument.
 12 (30) "Document" means a document of title or a receipt of the
 13 type described in IC 26-1-7-201(b).
 14 (31) [Reserved.]
 15 (32) "Encumbrance" means a right, other than an ownership
 16 interest, in real property. The term includes mortgages and other
 17 liens on real property.
 18 (33) "Equipment" means goods other than inventory, farm
 19 products, or consumer goods.
 20 (34) "Farm products" means goods, other than standing timber,
 21 with respect to which the debtor is engaged in a farming operation
 22 and which are:
 23 (A) crops grown, growing, or to be grown, including:
 24 (i) crops produced on trees, vines, and bushes; and
 25 (ii) aquatic goods produced in aquacultural operations;
 26 (B) livestock, born or unborn, including aquatic goods
 27 produced in aquacultural operations;
 28 (C) supplies used or produced in a farming operation; or
 29 (D) products of crops or livestock in their unmanufactured
 30 states.
 31 (35) "Farming operation" means raising, cultivating, propagating,
 32 fattening, grazing, or any other farming, livestock, or aquacultural
 33 operation.
 34 (36) "File number" means the number assigned to an initial
 35 financing statement pursuant to IC 26-1-9.1-519(a).
 36 (37) "Filing office" means an office designated in IC 26-1-9.1-501
 37 as the place to file a financing statement.
 38 (38) "Filing-office rule" means a rule adopted pursuant to
 39 IC 26-1-9.1-526.
 40 (39) "Financing statement" means a record or records composed
 41 of an initial financing statement and any filed record relating to
 42 the initial financing statement.

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1 (40) "Fixture filing" means the filing of a financing statement
 2 covering goods that are or are to become fixtures and satisfying
 3 IC 26-1-9.1-502(a) and IC 26-1-9.1-502(b). The term includes the
 4 filing of a financing statement covering goods of a transmitting
 5 utility which are or are to become fixtures.
 6 (41) "Fixtures" means goods that have become so related to
 7 particular real property that an interest in them arises under real
 8 property law.
 9 (42) "General intangible" means any personal property, including
 10 things in action, other than accounts, chattel paper, commercial
 11 tort claims, deposit accounts, documents, goods, instruments,
 12 investment property, letter-of-credit rights, letters of credit,
 13 money, and oil, gas, or other minerals before extraction. The term
 14 includes controllable electronic records, payment intangibles, and
 15 software.
 16 (43) "Good faith" means honesty in fact and the observance of
 17 reasonable commercial standards of fair dealing.
 18 (44) "Goods" means all things that are movable when a security
 19 interest attaches. The term includes (i) fixtures, (ii) standing
 20 timber that is to be cut and removed under a conveyance or
 21 contract for sale, (iii) the unborn young of animals, (iv) crops
 22 grown, growing, or to be grown, even if the crops are produced on
 23 trees, vines, or bushes, and (v) manufactured homes. The term
 24 also includes a computer program embedded in goods and any
 25 supporting information provided in connection with a transaction
 26 relating to the program if (i) the program is associated with the
 27 goods in such a manner that it customarily is considered part of
 28 the goods, or (ii) by becoming the owner of the goods, a person
 29 acquires a right to use the program in connection with the goods.
 30 The term does not include a computer program embedded in
 31 goods that consist solely of the medium in which the program is
 32 embedded. The term also does not include accounts, chattel
 33 paper, commercial tort claims, deposit accounts, documents,
 34 general intangibles, instruments, investment property,
 35 letter-of-credit rights, letters of credit, money, or oil, gas, or other
 36 minerals before extraction.
 37 (45) "Governmental unit" means a subdivision, agency,
 38 department, county, parish, municipality, or other unit of the
 39 government of the United States, a state, or a foreign country. The
 40 term includes an organization having a separate corporate
 41 existence if the organization is eligible to issue debt on which
 42 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
 42 (1) or more sections, which, in the traveling mode, is eight (8)

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1 body feet or more in width or forty (40) body feet or more in
 2 length, or, when erected on site, is three hundred twenty (320) or
 3 more square feet, and which is built ~~on~~ with or without a
 4 permanent chassis and designed to be used as a dwelling with or
 5 without a permanent foundation when connected to the required
 6 utilities, and includes the plumbing, heating, air conditioning, and
 7 electrical systems contained therein. The term includes any
 8 structure that meets all of the requirements of this subdivision
 9 except the size requirements, and with respect to which the
 10 manufacturer voluntarily files a certification required by the
 11 United States Secretary of Housing and Urban Development and
 12 complies with the standards established under Title 42 of the
 13 United States Code.

14 (54) The following terms have the following meanings:

15 (A) "Manufactured-home transaction" means a secured
 16 transaction:

17 (i) that creates a purchase-money security interest in a
 18 manufactured home, other than a manufactured home held
 19 as inventory; or

20 (ii) in which a manufactured home, other than a
 21 manufactured home held as inventory, is the primary
 22 collateral.

23 (B) "Money" has the meaning set forth in IC 26-1-1-201(24),
 24 but does not include a deposit account.

25 (55) "Mortgage" means a consensual interest in real property,
 26 including fixtures, that secures payment or performance of an
 27 obligation.

28 (56) "New debtor" means a person that becomes bound as debtor
 29 under IC 26-1-9.1-203(d) by a security agreement previously
 30 entered into by another person.

31 (57) "New value" means (i) money, (ii) money's worth in
 32 property, services, or new credit, or (iii) release by a transferee of
 33 an interest in property previously transferred to the transferee.
 34 The term does not include an obligation substituted for another
 35 obligation.

36 (58) "Noncash proceeds" means proceeds other than cash
 37 proceeds.

38 (59) "Obligor" means a person that, with respect to an obligation
 39 secured by a security interest in or an agricultural lien on the
 40 collateral, (i) owes payment or other performance of the
 41 obligation, (ii) has provided property other than the collateral to
 42 secure payment or other performance of the obligation, or (iii) is



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1 otherwise accountable in whole or in part for payment or other
 2 performance of the obligation. The term does not include issuers
 3 or nominated persons under a letter of credit.
 4 (60) "Original debtor", except as used in IC 26-1-9.1-310(c),
 5 means a person that, as debtor, entered into a security agreement
 6 to which a new debtor has become bound under
 7 IC 26-1-9.1-203(d).
 8 (61) "Payment intangible" means a general intangible under
 9 which the account debtor's principal obligation is a monetary
 10 obligation. The term includes a controllable payment intangible.
 11 (62) "Person related to", with respect to an individual, means:
 12 (A) the spouse of the individual;
 13 (B) a brother, brother-in-law, sister, or sister-in-law of the
 14 individual;
 15 (C) an ancestor or lineal descendant of the individual or the
 16 individual's spouse; or
 17 (D) any other relative, by blood or marriage, of the individual
 18 or the individual's spouse who shares the same home with the
 19 individual.
 20 (63) "Person related to", with respect to an organization, means:
 21 (A) a person directly or indirectly controlling, controlled by,
 22 or under common control with the organization;
 23 (B) an officer or director of, or a person performing similar
 24 functions with respect to, the organization;
 25 (C) an officer or director of, or a person performing similar
 26 functions with respect to, a person described in clause (A);
 27 (D) the spouse of an individual described in clause (A), (B), or
 28 (C); or
 29 (E) an individual who is related by blood or marriage to an
 30 individual described in clause (A), (B), (C), or (D) and shares
 31 the same home with the individual.
 32 (64) "Proceeds", except as used in IC 26-1-9.1-609(b), means the
 33 following property:
 34 (A) Whatever is acquired upon the sale, lease, license,
 35 exchange, or other disposition of collateral.
 36 (B) Whatever is collected on, or distributed on account of,
 37 collateral.
 38 (C) Rights arising out of collateral.
 39 (D) To the extent of the value of collateral, claims arising out
 40 of the loss, nonconformity, or interference with the use of,
 41 defects or infringement of rights in, or damage to, the
 42 collateral.

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(E) To the extent of the value of collateral and to the extent payable to the debtor or the secured party, insurance payable by reason of the loss or nonconformity of, defects or infringement of rights in, or damage to, the collateral.

(65) "Promissory note" means an instrument that evidences a promise to pay a monetary obligation, does not evidence an order to pay, and does not contain an acknowledgment by a bank that the bank has received for deposit a sum of money or funds.

(66) "Proposal" means a record signed by a secured party that includes the terms on which the secured party is willing to accept collateral in full or partial satisfaction of the obligation it secures pursuant to IC 26-1-9.1-620, IC 26-1-9.1-621, and IC 26-1-9.1-622.

(67) "Public-finance transaction" means a secured transaction in connection with which:

- (A) debt securities are issued;
- (B) all or a portion of the securities issued have an initial stated maturity of at least twenty (20) years; and
- (C) the debtor, obligor, secured party, account debtor, or other person obligated on collateral, assignor or assignee of a secured obligation, or assignor or assignee of a security interest is a state or a governmental unit of a state.

(68) "Public organic record" means a record that is available to the public for inspection and is:

- (A) a record consisting of the record initially filed with or issued by a state or the United States to form or organize an organization and any record filed with or issued by the state or the United States which amends or restates the initial record;
- (B) an organic record of a business trust consisting of the record initially filed with a state and any record filed with the state which amends or restates the initial record, if a statute of the state governing business trusts requires that the record be filed with the state; or
- (C) a record consisting of legislation enacted by the legislature of a state or the Congress of the United States which forms or organizes an organization, any record amending the legislation, and any record filed with or issued by the state or the United States which amends or restates the name of the organization.

(69) "Pursuant to commitment", with respect to an advance made or other value given by a secured party, means pursuant to the secured party's obligation, whether or not a subsequent event of

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1 default or other event not within the secured party's control has
 2 relieved or may relieve the secured party from its obligation.

3 (70) "Record", except as used in "for record", "of record", "record
 4 or legal title", and "record owner", means information that is
 5 inscribed on a tangible medium or that is stored in an electronic
 6 or other medium and is retrievable in perceivable form.

7 (71) "Registered organization" means an organization formed or
 8 organized solely under the law of a single state or the United
 9 States by the filing of a public organic record with, the issuance
 10 of a public organic record by, or the enactment of legislation by
 11 the state or the United States. The term includes a business trust
 12 that is formed or organized under the law of a single state if a
 13 statute of the state governing business trusts requires that the
 14 business trust's organic record be filed with the state.

15 (72) "Secondary obligor" means an obligor to the extent that:

16 (A) the obligor's obligation is secondary; or

17 (B) the obligor has a right of recourse with respect to an
 18 obligation secured by collateral against the debtor, another
 19 obligor, or property of either.

20 (73) "Secured party" means:

21 (A) a person in whose favor a security interest is created or
 22 provided for under a security agreement, whether or not any
 23 obligation to be secured is outstanding;

24 (B) a person that holds an agricultural lien;

25 (C) a consignor;

26 (D) a person to which accounts, chattel paper, payment
 27 intangibles, or promissory notes have been sold;

28 (E) a trustee, indenture trustee, agent, collateral agent, or other
 29 representative in whose favor a security interest or agricultural
 30 lien is created or provided for; or

31 (F) a person that holds a security interest arising under
 32 IC 26-1-2-401, IC 26-1-2-505, IC 26-1-2-711(3),
 33 IC 26-1-2.1-508(5), IC 26-1-4-210, or IC 26-1-5.1-118.

34 (74) "Security agreement" means an agreement that creates or
 35 provides for a security interest.

36 (75) [Reserved.]

37 (76) "Software" means a computer program and any supporting
 38 information provided in connection with a transaction relating to
 39 the program. The term does not include a computer program that
 40 is included in the definition of goods.

41 (77) "State" means a state of the United States, the District of
 42 Columbia, Puerto Rico, the United States Virgin Islands, or any

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1 territory or insular possession subject to the jurisdiction of the
 2 United States.

3 (78) "Supporting obligation" means a letter-of-credit right or
 4 secondary obligation that supports the payment or performance of
 5 an account, chattel paper, a document, a general intangible, an
 6 instrument, or investment property.

7 (79) [Reserved.]

8 (80) "Termination statement" means an amendment of a financing
 9 statement that:

10 (A) identifies, by its file number, the initial financing
 11 statement to which it relates; and

12 (B) indicates either that it is a termination statement or that the
 13 identified financing statement is no longer effective.

14 (81) "Transmitting utility" means a person primarily engaged in
 15 the business of:

16 (A) operating a railroad, subway, street railway, or trolley bus;

17 (B) transmitting communications electrically,
 18 electromagnetically, or by light;

19 (C) transmitting goods by pipeline or sewer; or

20 (D) transmitting or producing and transmitting electricity,
 21 steam, gas, or water.

22 (b) "Control" as provided in IC 26-1-7-106 and the following
 23 definitions outside IC 26-1-9.1 apply to IC 26-1-9.1:

24 "Applicant" IC 26-1-5.1-102.

25 "Beneficiary" IC 26-1-5.1-102.

26 "Broker" IC 26-1-8.1-102.

27 "Certificated security" IC 26-1-8.1-102.

28 "Check" IC 26-1-3.1-104.

29 "Clearing corporation" IC 26-1-8.1-102.

30 "Contract for sale" IC 26-1-2-106.

31 "Controllable electronic record" IC 26-1-12-102.

32 "Customer" IC 26-1-4-104.

33 "Entitlement holder" IC 26-1-8.1-102.

34 "Financial asset" IC 26-1-8.1-102.

35 "Holder in due course" IC 26-1-3.1-302.

36 "Issuer" (with respect to a letter of credit or letter-of-credit right)
 37 IC 26-1-5.1-102.

38 "Issuer" (with respect to a security) IC 26-1-8.1-201.

39 "Issuer" (with respect to documents of title) IC 26-1-7-102.

40 "Lease" IC 26-1-2.1-103.

41 "Lease agreement" IC 26-1-2.1-103.

42 "Lease contract" IC 26-1-2.1-103.

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1 "Leasehold interest" IC 26-1-2.1-103.
2 "Lessee" IC 26-1-2.1-103.
3 "Lessee in ordinary course of business" IC 26-1-2.1-103.
4 "Lessor" IC 26-1-2.1-103.
5 "Lessor's residual interest" IC 26-1-2.1-103.
6 "Letter of credit" IC 26-1-5.1-102.
7 "Merchant" IC 26-1-2-104.
8 "Negotiable instrument" IC 26-1-3.1-104.
9 "Nominated person" IC 26-1-5.1-102.
10 "Note" IC 26-1-3.1-104.
11 "Proceeds of a letter of credit" IC 26-1-5.1-114.
12 "Protected purchaser" IC 26-1-8.1-303.
13 "Prove" IC 26-1-3.1-103.
14 "Qualifying purchaser" IC 26-1-12-102.
15 "Sale" IC 26-1-2-106.
16 "Securities account" IC 26-1-8.1-501.
17 "Securities intermediary" IC 26-1-8.1-102.
18 "Security" IC 26-1-8.1-102.
19 "Security certificate" IC 26-1-8.1-102.
20 "Security entitlement" IC 26-1-8.1-102.
21 "Uncertificated security" IC 26-1-8.1-102.
22 (c) IC 26-1-1 contains general definitions and principles of
23 construction and interpretation applicable throughout IC 26-1-9.1.
24 SECTION 140]. IC 36-1-12-3, AS AMENDED BY P.L.86-2025,
25 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
26 JANUARY 1, 2026 (RETROACTIVE)]: Sec. 3. (a) The board may
27 purchase or lease materials in the manner provided in IC 5-22 and
28 perform any public work, by means of its own workforce, without
29 awarding a contract whenever the cost of that public work project is
30 estimated to be less than three hundred seventy-five thousand dollars
31 (\$375,000), adjusted annually by ~~the~~ **an amount equal to the**
32 **unadjusted** percentage change **for all items** in the Consumer Price
33 Index for all Urban Consumers as published by the United States
34 Bureau of Labor Statistics **for the immediately preceding year. On**
35 **or before January 15, 2026, and on or before January 1 of each**
36 **year thereafter**, the department of local government finance shall
37 annually publish the adjusted cost estimate threshold for the current
38 year, determined in the manner required by this subsection, ~~on the~~
39 ~~department's website:~~ **in the Indiana Register under IC 4-22-7-7. For**
40 **purposes of applying the annual cost estimate threshold**
41 **adjustment, the annual percentage change is applied to the**
42 **adjusted amount for the immediately preceding year.**

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1 (b) Before a board may perform any work under this section by
2 means of its own workforce, the political subdivision or agency must
3 have a group of employees on its staff who are capable of performing
4 the construction, maintenance, and repair applicable to that work.

5 (c) For purposes of ~~this subsection~~, **determining** the cost of a public
6 work project, **the cost** includes:

- 7 (1) the actual cost of materials, labor, equipment, and rental;
- 8 (2) a reasonable rate for use of trucks and heavy equipment
9 owned; and
- 10 (3) all other expenses incidental to the performance of the project.

11 ~~(b)~~ (d) This subsection applies only to a municipality or a county.
12 The workforce of a municipality or county may perform a public work
13 described in subsection (a) only if:

- 14 (1) the workforce, through demonstrated skills, training, or
15 expertise, is capable of performing the public work; and
- 16 (2) for a public work project under subsection (a) whose cost is
17 estimated to be more than one hundred thousand dollars
18 (\$100,000), the board:

- 19 (A) publishes a notice under IC 5-3-1 that:
 - 20 (i) describes the public work that the board intends to
21 perform with its own workforce; and
 - 22 (ii) sets forth the projected cost of each component of the
23 public work as described in subsection (a); and
- 24 (B) determines at a public meeting that it is in the public
25 interest to perform the public work with the board's own
26 workforce.

27 A public work project performed by a board's own workforce must be
28 inspected and accepted as complete in the same manner as a public
29 work project performed under a contract awarded after receiving bids.

30 ~~(e)~~ (e) When the project involves the rental of equipment with an
31 operator furnished by the owner, or the installation or application of
32 materials by the supplier of the materials, the project is considered to
33 be a public work project and subject to this chapter. However, an
34 annual contract may be awarded for equipment rental and materials to
35 be installed or applied during a calendar or fiscal year if the proposed
36 project or projects are described in the bid specifications.

37 ~~(d)~~ (f) A board of aviation commissioners or an airport authority
38 board may purchase or lease materials in the manner provided in
39 IC 5-22 and perform any public work by means of its own workforce
40 and owned or leased equipment, in the construction, maintenance, and
41 repair of any airport roadway, runway, taxiway, or aircraft parking
42 apron whenever the cost of that public work project is estimated to be

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1 less than one hundred fifty thousand dollars (\$150,000).
 2 ~~(e)~~ **(g)** Municipal and county hospitals must comply with this
 3 chapter for all contracts for public work that are financed in whole or
 4 in part with cumulative building fund revenue, as provided in section
 5 1(c) of this chapter. However, if the cost of the public work is
 6 estimated to be less than fifty thousand dollars (\$50,000), as reflected
 7 in the board minutes, the hospital board may have the public work done
 8 without receiving bids, by purchasing the materials and performing the
 9 work by means of its own workforce and owned or leased equipment.

10 ~~(f)~~ **(h)** If a public works project involves a structure, an
 11 improvement, or a facility under the control of a public highway
 12 department that is under the political control of a unit (as defined in
 13 IC 36-1-2-23) and involved in the construction, maintenance, or repair
 14 of a public highway (as defined in IC 9-25-2-4), the department may
 15 not artificially divide the project to bring any part of the project under
 16 this section.

17 SECTION ~~<45>~~ [\[141\]](#). IC 36-1-12.5-10, AS AMENDED BY
 18 P.L.233-2015, SECTION 331, IS AMENDED TO READ AS
 19 FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 10. The governing body
 20 shall

21 ~~(1)~~ **(1)** provide **submit the following** to the director of the
 22 department of local government ~~finance~~ **finance's computer**
 23 **gateway** not more than sixty (60) days after the date of execution
 24 of the guaranteed savings contract:

- 25 ~~(A)~~ **(1)** A copy of the executed guaranteed savings contract.
 26 ~~(B)~~ **(2)** The:
 27 ~~(i)~~ **(A)** energy or water consumption costs;
 28 ~~(ii)~~ **(B)** wastewater usage costs; and
 29 ~~(iii)~~ **(C)** billable revenues, if any;
 30 before the date of execution of the guaranteed savings
 31 contract. ~~and~~

32 ~~(C)~~ **(3)** The documentation using industry engineering
 33 standards for:

- 34 ~~(i)~~ **(A)** stipulated savings; and
 35 ~~(ii)~~ **(B)** related capital expenditures. ~~and~~
 36 ~~(2)~~ **(2)** annually report to the director of the department of local
 37 government ~~finance~~; in accordance with procedures established
 38 by the department, the savings resulting in the previous year from
 39 the guaranteed savings contract or utility efficiency program.

40 SECTION ~~<46>~~ [\[142\]](#). IC 36-1-12.5-12, AS AMENDED BY
 41 P.L.233-2015, SECTION 332, IS AMENDED TO READ AS
 42 FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 12. ~~(a)~~ An

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1 improvement that is not causally connected to a conservation measure
2 may be included in a guaranteed savings contract if:

3 (1) the total value of the improvement does not exceed fifteen
4 percent (15%) of the total value of the guaranteed savings
5 contract; and

6 (2) either:

7 (A) the improvement is necessary to conform to a law, a rule,
8 or an ordinance; or

9 (B) an analysis within the guaranteed savings contract
10 demonstrates that:

11 (i) there is an economic advantage to the political
12 subdivision in implementing an improvement as part of the
13 guaranteed savings contract; and

14 (ii) the savings justification for the improvement is
15 documented by industry engineering standards.

16 (b) ~~The information required under subsection (a) must be reported~~
17 ~~to the director of the department of local government finance.~~

18 SECTION ~~<47>~~[143. IC 36-1-20-3.6 IS ADDED TO THE
19 INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS
20 [EFFECTIVE JULY 1, 2026]: Sec. 3.6. (a) A unit may not adopt or
21 enforce an ordinance, resolution, regulation, policy, or rule that:

22 (1) prohibits or restricts an owner of a privately owned
23 residential property from using the property as a rental
24 property; or

25 (2) has the effect of prohibiting or restricting the use of
26 property as a rental property.

27 (b) This section does not prohibit a unit from enforcing any:

28 (1) generally applicable health and safety regulations;

29 (2) building codes, fire codes, or reasonable occupancy
30 standards; or

31 (3) registration or inspection requirements set forth in this
32 chapter, provided the requirements do not operate to impose
33 a cap or limit described in subsection (a).

34 SECTION 144. IC 36-2-11-14.5, AS AMENDED BY P.L.127-2017,
35 SECTION 79, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
36 UPON PASSAGE]: Sec. 14.5. (a) As used in this section,
37 "manufactured home" has the meaning set forth in ~~IC 9-13-2-96(b).~~
38 IC 9-13-2-96(a). The term includes a mobile home (as defined in
39 IC 9-13-2-103.2).

40 (b) As used in this section, "mobile home" has the meaning set forth
41 in ~~IC 6-1-7-1(b).~~ IC 9-13-2-103.2. The term includes a
42 manufactured home (as defined in IC 9-13-2-96(a)).

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1 (c) A person must do the following to record a purchase contract
2 that is subject to IC 9-17-6-17:

3 (1) Submit the following to the county recorder:

4 (A) A copy of the title to the manufactured home or mobile
5 home.

6 (B) An affidavit stating whether the contract requires the seller
7 or the buyer to pay the property taxes imposed on the
8 manufactured home or mobile home.

9 (2) Pay any applicable recording fees.

10 (d) The county recorder shall record a purchase contract submitted
11 for recording under IC 9-17-6-17 by a person who complies with
12 subsection (c). The county recorder shall do the following:

13 (1) Provide the information described in subsection (c)(1) to the
14 county treasurer with respect to each contract recorded under this
15 section.

16 (2) Notify the township assessor of the township in which the
17 mobile home is located, or to which the mobile home will be
18 moved, that a contract for the sale of the mobile home has been
19 recorded. If there is no township assessor for the township, the
20 county recorder shall provide the notice required by this
21 subdivision to the county assessor.

22 SECTION 145. IC 36-4-3-19, AS AMENDED BY P.L.104-2022,
23 SECTION 160, IS AMENDED TO READ AS FOLLOWS
24 [EFFECTIVE JULY 1, 2026]: Sec. 19. (a) If disannexation is ordered
25 under this chapter by the works board of a municipality and no appeal
26 is taken, the clerk of the municipality shall, without compensation and
27 not later than ten (10) days after the order is made, make and certify a
28 complete transcript of the disannexation proceedings to the auditor of
29 each county in which the disannexed lots or lands lie and to the office
30 of the secretary of state. The county auditor shall list those lots or lands
31 appropriately for taxation. The proceedings of the works board shall not
32 be certified to the county auditor or to the office of the secretary of
33 state if an appeal to the circuit court has been taken.

34 (b) In all proceedings begun in or appealed to the circuit court, if
35 vacation or disannexation is ordered, the clerk of the court shall
36 immediately after the judgment of the court, or after a decision on
37 appeal to the supreme court or court of appeals if the judgment on
38 appeal is not reversed, certify the judgment of the circuit court, as
39 affirmed or modified, to each of the following:

40 (1) The auditor of each county in which the lands or lots affected
41 lie, on receipt of one dollar (\$1) for the making and certifying of
42 the transcript from the petitioners for the disannexation.

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- 1 (2) The office of the secretary of state.
- 2 (3) The circuit court clerk of each county in which the lands or
- 3 lots affected are located.
- 4 (4) The county election board of each county in which the lands
- 5 or lots affected are located.
- 6 (5) If a board of registration exists, the board of each county in
- 7 which the lands or lots affected are located.
- 8 (6) The office of census data established by IC 2-5-1.1-12.2.
- 9 (c) The county auditor shall forward a list of lots or lands
- 10 disannexed under this section to the following:
- 11 (1) The county highway department of each county in which the
- 12 lands or lots affected are located.
- 13 (2) The county surveyor of each county in which the lands or lots
- 14 affected are located.
- 15 (3) Each plan commission, if any, that lost or gained jurisdiction
- 16 over the disannexed territory.
- 17 (4) The township trustee of each township that lost or gained
- 18 jurisdiction over the disannexed territory.
- 19 (5) The sheriff of each county in which the lands or lots affected
- 20 are located.
- 21 (6) The office of the secretary of state.
- 22 (7) The office of census data established by IC 2-5-1.1-12.2.
- 23 (8) The department of local government finance, not later than
- 24 August 1, in the manner described by the department.
- 25 **(9) The state GIS officer (as defined in IC 4-23-7.3-10), not**
- 26 **later than August 1, in the manner prescribed by the state**
- 27 **GIS officer (as defined in IC 4-23-7.3-10).**
- 28 The county auditor may require the clerk of the municipality to furnish
- 29 an adequate number of copies of the list of disannexed lots or lands or
- 30 may charge the clerk a fee for photoreproduction of the list.
- 31 (d) A disannexation described by this section takes effect upon the
- 32 clerk of the municipality filing the order with:
- 33 (1) the county auditor of each county in which the annexed
- 34 territory is located; and
- 35 (2) the circuit court clerk, or if a board of registration exists, the
- 36 board of each county in which the annexed territory is located.
- 37 (e) The clerk of the municipality shall notify the office of the
- 38 secretary of state and the office of census data established by
- 39 IC 2-5-1.1-12.2 of the date a disannexation is effective under this
- 40 chapter.
- 41 SECTION 146. IC 36-4-3-22, AS AMENDED BY P.L.38-2021,
- 42 SECTION 84, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE

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1 JULY 1, 2026]: Sec. 22. (a) The clerk of the municipality shall file:
2 (1) each annexation ordinance against which:
3 (A) a remonstrance or an appeal has not been filed during the
4 period permitted under this chapter; or
5 (B) a remonstrance was filed without a sufficient number of
6 signatures to meet the requirements of section 11.3(c) of this
7 chapter, in the case of an annexation for which an annexation
8 ordinance was adopted after June 30, 2015; or
9 (2) the certified copy of a final and unappealable judgment
10 ordering an annexation to take place;
11 with the county auditor, circuit court clerk, and board of registration (if
12 a board of registration exists) of each county in which the annexed
13 territory is located, the office of the secretary of state, and the office of
14 census data established by IC 2-5-1.1-12.2. The clerk of the
15 municipality shall record each annexation ordinance adopted under this
16 chapter in the office of the county recorder of each county in which the
17 annexed territory is located.
18 (b) The ordinance or judgment must be filed and recorded no later
19 than ninety (90) days after:
20 (1) the expiration of the period permitted for a remonstrance or
21 appeal;
22 (2) the delivery of a certified order under section 15 of this
23 chapter; or
24 (3) the date the county auditor files the written certification with
25 the legislative body under section 11.2 of this chapter, in the case
26 of an annexation described in subsection (a)(1)(B).
27 (c) Failure to record the annexation ordinance as provided in
28 subsection (a) does not invalidate the ordinance.
29 (d) The county auditor shall forward a copy of any annexation
30 ordinance filed under this section to the following:
31 (1) The county highway department of each county in which the
32 lots or lands affected are located.
33 (2) The county surveyor of each county in which the lots or lands
34 affected are located.
35 (3) Each plan commission, if any, that lost or gained jurisdiction
36 over the annexed territory.
37 (4) The sheriff of each county in which the lots or lands affected
38 are located.
39 (5) The township trustee of each township that lost or gained
40 jurisdiction over the annexed territory.
41 (6) The office of the secretary of state.
42 (7) The office of census data established by IC 2-5-1.1-12.2.

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1 (8) The department of local government finance, not later than
2 August 1, in the manner described by the department.

3 (9) The state GIS officer (as defined in IC 4-23-7.3-10), not
4 later than August 1, in the manner prescribed by the state
5 GIS officer (as defined in IC 4-23-7.3-10).

6 (e) The county auditor may require the clerk of the municipality to
7 furnish an adequate number of copies of the annexation ordinance or
8 may charge the clerk a fee for photoreproduction of the ordinance. The
9 county auditor shall notify the office of the secretary of state and the
10 office of census data established by IC 2-5-1.1-12.2 of the date that the
11 annexation ordinance is effective under this chapter.

12 (f) The county auditor or county surveyor shall, upon determining
13 that an annexation ordinance has become effective under this chapter,
14 indicate the annexation upon the property taxation records maintained
15 in the office of the auditor or the office of the county surveyor.

16 SECTION 147]. IC 36-7-14-39, AS AMENDED BY P.L.181-2025,
17 SECTION 20, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
18 <JULY 1, 2026> [UPON PASSAGE]]: Sec. 39. (a) As used in this
19 section:

20 "Allocation area" means that part of a redevelopment project area
21 to which an allocation provision of a declaratory resolution adopted
22 under section 15 of this chapter refers for purposes of distribution and
23 allocation of property taxes.

24 "Base assessed value" means, subject to subsection (j), the
25 following:

26 (1) If an allocation provision is adopted after June 30, 1995, in a
27 declaratory resolution or an amendment to a declaratory
28 resolution establishing an economic development 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 (2) If an allocation provision is adopted after June 30, 1997, in a
39 declaratory resolution or an amendment to a declaratory
40 resolution establishing a redevelopment project area:

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 effective 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), the net
 4 assessed value of property that is assessed as residential
 5 property under the rules of the department of local government
 6 finance, as finally determined for the current assessment date.
 7 (3) If:
 8 (A) an allocation provision adopted before June 30, 1995, in
 9 a declaratory resolution or an amendment to a declaratory
 10 resolution establishing a redevelopment project area expires
 11 after June 30, 1997; and
 12 (B) after June 30, 1997, a new allocation provision is included
 13 in an amendment to the declaratory resolution;
 14 the net assessed value of all the property as finally determined for
 15 the assessment date immediately preceding the effective date of
 16 the allocation provision adopted after June 30, 1997, as adjusted
 17 under subsection (h).
 18 (4) Except as provided in subdivision (5), for all other allocation
 19 areas, the net assessed value of all the property as finally
 20 determined for the assessment date immediately preceding the
 21 effective date of the allocation provision of the declaratory
 22 resolution, as adjusted under subsection (h).
 23 (5) If an allocation area established in an economic development
 24 area before July 1, 1995, is expanded after June 30, 1995, the
 25 definition in subdivision (1) applies to the expanded part of the
 26 area added after June 30, 1995.
 27 (6) If an allocation area established in a redevelopment project
 28 area before July 1, 1997, is expanded after June 30, 1997, the
 29 definition in subdivision (2) applies to the expanded part of the
 30 area added after June 30, 1997.
 31 Except as provided in section 39.3 of this chapter, "property taxes"
 32 means taxes imposed under IC 6-1.1 on real property. However, upon
 33 approval by a resolution of the redevelopment commission adopted
 34 before June 1, 1987, "property taxes" also includes taxes imposed
 35 under IC 6-1.1 on depreciable personal property. If a redevelopment
 36 commission adopted before June 1, 1987, a resolution to include within
 37 the definition of property taxes, taxes imposed under IC 6-1.1 on
 38 depreciable personal property that has a useful life in excess of eight
 39 (8) years, the commission may by resolution determine the percentage
 40 of taxes imposed under IC 6-1.1 on all depreciable personal property
 41 that will be included within the definition of property taxes. However,
 42 the percentage included must not exceed twenty-five percent (25%) of

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1 the taxes imposed under IC 6-1.1 on all depreciable personal property.
 2 (b) A declaratory resolution adopted under section 15 of this chapter
 3 on or before the allocation deadline determined under subsection (i)
 4 may include a provision with respect to the allocation and distribution
 5 of property taxes for the purposes and in the manner provided in this
 6 section. A declaratory resolution previously adopted may include an
 7 allocation provision by the amendment of that declaratory resolution on
 8 or before the allocation deadline determined under subsection (i) in
 9 accordance with the procedures required for its original adoption. A
 10 declaratory resolution or amendment that establishes an allocation
 11 provision must include a specific finding of fact, supported by
 12 evidence, that the adoption of the allocation provision will result in
 13 new property taxes in the area that would not have been generated but
 14 for the adoption of the allocation provision. For an allocation area
 15 established before July 1, 1995, the expiration date of any allocation
 16 provisions for the allocation area is June 30, 2025, or the last date of
 17 any obligations that are outstanding on July 1, 2015, whichever is later.
 18 A declaratory resolution or an amendment that establishes an allocation
 19 provision after June 30, 1995, must specify an expiration date for the
 20 allocation provision. For an allocation area established before July 1,
 21 2008, the expiration date may not be more than thirty (30) years after
 22 the date on which the allocation provision is established. For an
 23 allocation area established after June 30, 2008, the expiration date may
 24 not be more than twenty-five (25) years after the date on which the first
 25 obligation was incurred to pay principal and interest on bonds or lease
 26 rentals on leases payable from tax increment revenues. However, with
 27 respect to bonds or other obligations that were issued before July 1,
 28 2008, if any of the bonds or other obligations that were scheduled when
 29 issued to mature before the specified expiration date and that are
 30 payable only from allocated tax proceeds with respect to the allocation
 31 area remain outstanding as of the expiration date, the allocation
 32 provision does not expire until all of the bonds or other obligations are
 33 no longer outstanding. Notwithstanding any other law, in the case of an
 34 allocation area that is established after June 30, 2019, and that is
 35 located in a redevelopment project area described in section
 36 25.1(c)(3)(C) of this chapter, an economic development area described
 37 in section 25.1(c)(3)(C) of this chapter, or an urban renewal project
 38 area described in section 25.1(c)(3)(C) of this chapter, the expiration
 39 date of the allocation provision may not be more than thirty-five (35)
 40 years after the date on which the allocation provision is established.
 41 The allocation provision may apply to all or part of the redevelopment
 42 project area. The allocation provision must require that any property

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1 taxes subsequently levied by or for the benefit of any public body
2 entitled to a distribution of property taxes on taxable property in the
3 allocation area be allocated and distributed as follows:

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

6 (A) the assessed value of the property for the assessment date
7 with respect to which the allocation and distribution is made;
8 or

9 (B) the base assessed value;

10 shall be allocated to and, when collected, paid into the funds of
11 the respective taxing units.

12 (2) This subdivision applies to a fire protection territory
13 established after December 31, 2022. If a unit becomes a
14 participating unit of a fire protection territory that is established
15 after a declaratory resolution is adopted under section 15 of this
16 chapter, the excess of the proceeds of the property taxes
17 attributable to an increase in the property tax rate for the
18 participating unit of a fire protection territory:

19 (A) except as otherwise provided by this subdivision, shall be
20 determined as follows:

21 STEP ONE: Divide the unit's tax rate for fire protection for
22 the year before the establishment of the fire protection
23 territory by the participating unit's tax rate as part of the fire
24 protection territory.

25 STEP TWO: Subtract the STEP ONE amount from one (1).

26 STEP THREE: Multiply the STEP TWO amount by the
27 allocated property tax attributable to the participating unit of
28 the fire protection territory; and

29 (B) to the extent not otherwise included in subdivisions (1)
30 and (3), the amount determined under STEP THREE of clause
31 (A) shall be allocated to and distributed in the form of an
32 allocated property tax revenue pass back to the participating
33 unit of the fire protection territory for the assessment date with
34 respect to which the allocation is made.

35 However, if the redevelopment commission determines that it is
36 unable to meet its debt service obligations with regards to the
37 allocation area without all or part of the allocated property tax
38 revenue pass back to the participating unit of a fire protection area
39 under this subdivision, then the allocated property tax revenue
40 pass back under this subdivision shall be reduced by the amount
41 necessary for the redevelopment commission to meet its debt
42 service obligations of the allocation area. The calculation under

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1 this subdivision must be made by the redevelopment commission
 2 in collaboration with the county auditor and the applicable fire
 3 protection territory. Any calculation determined according to
 4 clause (A) must be submitted to the department of local
 5 government finance in the manner prescribed by the department
 6 of local government finance. The department of local government
 7 finance shall verify the accuracy of each calculation.
 8 (3) The excess of the proceeds of the property taxes imposed for
 9 the assessment date with respect to which the allocation and
 10 distribution is made that are attributable to taxes imposed after
 11 being approved by the voters in a referendum or local public
 12 question conducted after April 30, 2010, not otherwise included
 13 in subdivisions (1) and (2) shall be allocated to and, when
 14 collected, paid into the funds of the taxing unit for which the
 15 referendum or local public question was conducted.
 16 (4) Except as otherwise provided in this section, property tax
 17 proceeds in excess of those described in subdivisions (1), (2), and
 18 (3) shall be allocated to the redevelopment district and, when
 19 collected, paid into an allocation fund for that allocation area that
 20 may be used by the redevelopment district only to do one (1) or
 21 more of the following:
 22 (A) Pay the principal of and interest on any obligations
 23 payable solely from allocated tax proceeds which are incurred
 24 by the redevelopment district for the purpose of financing or
 25 refinancing the redevelopment of that allocation area.
 26 (B) Establish, augment, or restore the debt service reserve for
 27 bonds payable solely or in part from allocated tax proceeds in
 28 that allocation area.
 29 (C) Pay the principal of and interest on bonds payable from
 30 allocated tax proceeds in that allocation area and from the
 31 special tax levied under section 27 of this chapter.
 32 (D) Pay the principal of and interest on bonds issued by the
 33 unit to pay for local public improvements that are physically
 34 located in or physically connected to that allocation area.
 35 (E) Pay premiums on the redemption before maturity of bonds
 36 payable solely or in part from allocated tax proceeds in that
 37 allocation area.
 38 (F) Make payments on leases payable from allocated tax
 39 proceeds in that allocation area under section 25.2 of this
 40 chapter.
 41 (G) Reimburse the unit for expenditures made by it for local
 42 public improvements (which include buildings, parking

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facilities, and other items described in section 25.1(a) of this chapter) that are physically located in or physically connected to that allocation area.

(H) Reimburse the unit for rentals paid by it for a building or parking facility that is physically located in or physically connected to that allocation area under any lease entered into under IC 36-1-10.

(I) For property taxes first due and payable before January 1, 2009, pay all or a part of a property tax replacement credit to taxpayers in an allocation area as determined by the redevelopment commission. This credit equals the amount determined under the following STEPS for each taxpayer in a taxing district (as defined in IC 6-1.1-1-20) that contains all or part of the allocation area:

STEP ONE: Determine that part of the sum of the amounts under IC 6-1.1-21-2(g)(1)(A), IC 6-1.1-21-2(g)(2), IC 6-1.1-21-2(g)(3), IC 6-1.1-21-2(g)(4), and IC 6-1.1-21-2(g)(5) (before their repeal) that is attributable to the taxing district.

STEP TWO: Divide:

- (i) that part of each county's eligible property tax replacement amount (as defined in IC 6-1.1-21-2 (before its repeal)) for that year as determined under IC 6-1.1-21-4 (before its repeal) that is attributable to the taxing district; by
- (ii) the STEP ONE sum.

STEP THREE: Multiply:

- (i) the STEP TWO quotient; times
- (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 39.5 of this chapter (before its repeal) in the same year.

(J) Pay expenses incurred by the redevelopment commission for local public improvements that are in the allocation area or serving the allocation area. Public improvements include buildings, parking facilities, and other items described in section 25.1(a) of this chapter.

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1 (K) 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 within three
13 (3) years after the date on which the investments that are the
14 basis for the increment financing are made.

15 (L) 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 (K), 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 (M) Expend money and provide financial assistance as
34 authorized in section 12.2(a)(27) of this chapter.

35 (N) Expend revenues that are allocated for police and fire
36 services on both capital expenditures and operating expenses
37 as authorized in section 12.2(a)(28) of this chapter.

38 The allocation fund may not be used for operating expenses of the
39 commission.

40 (5) Except as provided in subsection (g), before June 15 of each
41 year, the commission shall do the following:

- 42 (A) Determine the amount, if any, by which the assessed value

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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 produce the property taxes necessary to make, when due, principal and interest payments on bonds described in subdivision (4), plus the amount necessary for other purposes described in subdivision (4).

(B) Provide a written notice to the county auditor, the fiscal body of the county or municipality that established the department of redevelopment, and 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. The county auditor, upon receiving the notice, shall forward this notice (in an electronic format) to the department of local government finance not later than June 15 of each year. 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 of assessed value to the respective taxing units under this subdivision if to do so would endanger the interests of the holders of bonds described in subdivision (4) or lessors under section 25.3 of this chapter. **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 June 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**

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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:
 - (i) the amount of excess assessed value determined by the commission is expected to generate more than two hundred percent (200%) of the amount of allocated tax proceeds necessary to make, when due, principal and interest payments on bonds described in subdivision (4); plus
 - (ii) the amount necessary for other purposes described in subdivision (4);

the commission shall submit to the legislative body of the unit its determination of the excess assessed value that the commission proposes to allocate to the respective taxing units in the manner prescribed in subdivision (1). The legislative body of the unit may approve the commission's determination or modify the amount of the excess assessed value that will be allocated to the respective taxing units in the manner prescribed in subdivision (1).

(6) Notwithstanding subdivision (5), in the case of an allocation area that is established after June 30, 2019, and that is located in a redevelopment project area described in section 25.1(c)(3)(C) of this chapter, an economic development area described in section 25.1(c)(3)(C) of this chapter, or an urban renewal project area described in section 25.1(c)(3)(C) of this chapter, for each year the allocation provision is in effect, if the amount of excess assessed value determined by the commission under subdivision (5)(A) is expected to generate more than two hundred percent (200%) of:

- (A) the amount of allocated tax proceeds necessary to make, when due, principal and interest payments on bonds described in subdivision (4) for the project; plus
- (B) the amount necessary for other purposes described in subdivision (4) for the project;

the amount of the excess assessed value that generates more than two hundred percent (200%) of the amounts described in clauses (A) and (B) shall be allocated to the respective taxing units in the manner prescribed by subdivision (1).

(c) For the purpose of allocating taxes levied by or for any taxing unit or units, the assessed value of taxable property in a territory in the allocation area that is annexed by any taxing unit after the effective

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1 date of the allocation provision of the declaratory resolution is the
 2 lesser of:
 3 (1) the assessed value of the property for the assessment date with
 4 respect to which the allocation and distribution is made; or
 5 (2) the base assessed value.
 6 (d) Property tax proceeds allocable to the redevelopment district
 7 under subsection (b)(4) may, subject to subsection (b)(5), be
 8 irrevocably pledged by the redevelopment district for payment as set
 9 forth in subsection (b)(4).
 10 (e) Notwithstanding any other law, each assessor shall, upon
 11 petition of the redevelopment commission, reassess the taxable
 12 property situated upon or in, or added to, the allocation area, effective
 13 on the next assessment date after the petition.
 14 (f) Notwithstanding any other law, the assessed value of all taxable
 15 property in the allocation area, for purposes of tax limitation, property
 16 tax replacement, and formulation of the budget, tax rate, and tax levy
 17 for each political subdivision in which the property is located is the
 18 lesser of:
 19 (1) the assessed value of the property as valued without regard to
 20 this section; or
 21 (2) the base assessed value.
 22 (g) If any part of the allocation area is located in an enterprise zone
 23 created under IC 5-28-15, the unit that designated the allocation area
 24 shall create funds as specified in this subsection. A unit that has
 25 obligations, bonds, or leases payable from allocated tax proceeds under
 26 subsection (b)(4) shall establish an allocation fund for the purposes
 27 specified in subsection (b)(4) and a special zone fund. Such a unit
 28 shall, until the end of the enterprise zone phase out period, deposit each
 29 year in the special zone fund any amount in the allocation fund derived
 30 from property tax proceeds in excess of those described in subsection
 31 (b)(1), (b)(2), and (b)(3) from property located in the enterprise zone
 32 that exceeds the amount sufficient for the purposes specified in
 33 subsection (b)(4) for the year. The amount sufficient for purposes
 34 specified in subsection (b)(4) for the year shall be determined based on
 35 the pro rata portion of such current property tax proceeds from the part
 36 of the enterprise zone that is within the allocation area as compared to
 37 all such current property tax proceeds derived from the allocation area.
 38 A unit that has no obligations, bonds, or leases payable from allocated
 39 tax proceeds under subsection (b)(4) shall establish a special zone fund
 40 and deposit all the property tax proceeds in excess of those described
 41 in subsection (b)(1), (b)(2), and (b)(3) in the fund derived from
 42 property tax proceeds in excess of those described in subsection (b)(1),

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1 (b)(2), and (b)(3) from property located in the enterprise zone. The unit
 2 that creates the special zone fund shall use the fund (based on the
 3 recommendations of the urban enterprise association) for programs in
 4 job training, job enrichment, and basic skill development that are
 5 designed to benefit residents and employers in the enterprise zone or
 6 other purposes specified in subsection (b)(4), except that where
 7 reference is made in subsection (b)(4) to allocation area it shall refer
 8 for purposes of payments from the special zone fund only to that part
 9 of the allocation area that is also located in the enterprise zone. Those
 10 programs shall reserve at least one-half (1/2) of their enrollment in any
 11 session for residents of the enterprise zone.

12 (h) The state board of accounts and department of local government
 13 finance shall make the rules and prescribe the forms and procedures
 14 that they consider expedient for the implementation of this chapter.
 15 After each reassessment in an area under a reassessment plan prepared
 16 under IC 6-1.1-4-4.2, the ~~department of local government finance~~
 17 **county auditor shall, on forms prescribed by the department of**
 18 **local government finance**, adjust the base assessed value one (1) time
 19 to neutralize any effect of the reassessment of the real property in the
 20 area on the property tax proceeds allocated to the redevelopment
 21 district under this section. After each annual adjustment under
 22 IC 6-1.1-4-4.5, the ~~department of local government finance~~ **county**
 23 **auditor shall, on forms prescribed by the department of local**
 24 **government finance**, adjust the base assessed value one (1) time to
 25 neutralize any effect of the annual adjustment on the property tax
 26 proceeds allocated to the redevelopment district under this section.
 27 However, the adjustments under this subsection:

- 28 (1) may not include the effect of phasing in assessed value due to
- 29 property tax abatements under IC 6-1.1-12.1;
- 30 (2) may not produce less property tax proceeds allocable to the
- 31 redevelopment district under subsection (b)(4) than would
- 32 otherwise have been received if the reassessment under the
- 33 reassessment plan or the annual adjustment had not occurred; and
- 34 (3) may decrease base assessed value only to the extent that
- 35 assessed values in the allocation area have been decreased due to
- 36 annual adjustments or the reassessment under the reassessment
- 37 plan.

38 Assessed value increases attributable to the application of an abatement
 39 schedule under IC 6-1.1-12.1 may not be included in the base assessed
 40 value of an allocation area. ~~The department of local government~~
 41 ~~finance may prescribe procedures for county and township officials to~~
 42 ~~follow to assist the department in making the adjustments.~~ **The county**

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1 **auditor shall, in the manner prescribed by the department of local**
 2 **government finance, submit the forms required by this subsection**
 3 **to the department of local government finance no later than July**
 4 **15 of each year. If the county auditor fails to submit the forms by**
 5 **the deadline under this subsection, the county auditor shall allocate**
 6 **five percent (5%) of the assessed value in the allocation area that**
 7 **is used to calculate the allocation and distribution of allocated tax**
 8 **proceeds under this section to the respective taxing units. However,**
 9 **if the redevelopment commission notifies the county auditor and**
 10 **the department of local government finance, no later than July 15,**
 11 **that it is unable to meet its debt service obligations with regard to**
 12 **the allocation area without all or part of the allocated tax proceeds**
 13 **attributed to the assessed value that has been allocated to the**
 14 **respective taxing units, then the county auditor may not allocate**
 15 **five percent (5%) of the assessed value in the allocation area that**
 16 **is used to calculate the allocation and distribution of allocated tax**
 17 **proceeds under this section to the respective taxing units.**

18 (i) The allocation deadline referred to in subsection (b) is
 19 determined in the following manner:

20 (1) The initial allocation deadline is December 31, 2011.

21 (2) Subject to subdivision (3), the initial allocation deadline and
 22 subsequent allocation deadlines are automatically extended in
 23 increments of five (5) years, so that allocation deadlines
 24 subsequent to the initial allocation deadline fall on December 31,
 25 2016, and December 31 of each fifth year thereafter.

26 (3) At least one (1) year before the date of an allocation deadline
 27 determined under subdivision (2), the general assembly may enact
 28 a law that:

29 (A) terminates the automatic extension of allocation deadlines
 30 under subdivision (2); and

31 (B) specifically designates a particular date as the final
 32 allocation deadline.

33 (j) If a redevelopment commission adopts a declaratory resolution
 34 or an amendment to a declaratory resolution that contains an allocation
 35 provision and the redevelopment commission makes either of the
 36 filings required under section 17(e) of this chapter after the first
 37 anniversary of the effective date of the allocation provision, the auditor
 38 of the county in which the unit is located shall compute the base
 39 assessed value for the allocation area using the assessment date
 40 immediately preceding the later of:

41 (1) the date on which the documents are filed with the county
 42 auditor; or



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1 (2) the date on which the documents are filed with the department
2 of local government finance.

3 (k) For an allocation area established after June 30, 2025,
4 "residential property" refers to the assessed value of property that is
5 allocated to the one percent (1%) homestead land and improvement
6 categories in the county tax and billing software system.

7 SECTION ~~<48>~~[148]. IC 36-7-14-48, AS AMENDED BY
8 P.L.236-2023, SECTION 180, IS AMENDED TO READ AS
9 FOLLOWS [EFFECTIVE ~~<JULY 1, 2026>~~[UPON PASSAGE]]: Sec.
10 48. (a) Notwithstanding section 39(a) of this chapter, with respect to
11 the allocation and distribution of property taxes for the accomplishment
12 of a program adopted under section 45 of this chapter, "base assessed
13 value" means, subject to section 39(j) of this chapter, the net assessed
14 value of all of the property, other than personal property, as finally
15 determined for the assessment date immediately preceding the effective
16 date of the allocation provision, as adjusted under section 39(h) of this
17 chapter.

18 (b) The allocation fund established under section 39(b) of this
19 chapter for the allocation area for a program adopted under section 45
20 of this chapter may be used only for purposes related to the
21 accomplishment of the program, including the following:

22 (1) The construction, rehabilitation, or repair of residential units
23 within the allocation area.

24 (2) The construction, reconstruction, or repair of any
25 infrastructure (including streets, sidewalks, and sewers) within or
26 serving the allocation area.

27 (3) The acquisition of real property and interests in real property
28 within the allocation area.

29 (4) The demolition of real property within the allocation area.

30 (5) The provision of financial assistance to enable individuals and
31 families to purchase or lease residential units within the allocation
32 area. However, financial assistance may be provided only to those
33 individuals and families whose income is at or below the county's
34 median income for individuals and families, respectively.

35 (6) The provision of financial assistance to neighborhood
36 development corporations to permit them to provide financial
37 assistance for the purposes described in subdivision (5).

38 (7) For property taxes first due and payable before January 1,
39 2009, providing each taxpayer in the allocation area a credit for
40 property tax replacement as determined under subsections (c) and
41 (d). However, the commission may provide this credit only if the
42 municipal legislative body (in the case of a redevelopment

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1 commission established by a municipality) or the county
2 executive (in the case of a redevelopment commission established
3 by a county) establishes the credit by ordinance adopted in the
4 year before the year in which the credit is provided.

5 (c) The maximum credit that may be provided under subsection
6 (b)(7) to a taxpayer in a taxing district that contains all or part of an
7 allocation area established for a program adopted under section 45 of
8 this chapter shall be determined as follows:

9 STEP ONE: Determine that part of the sum of the amounts
10 described in IC 6-1.1-21-2(g)(1)(A) and IC 6-1.1-21-2(g)(2)
11 through IC 6-1.1-21-2(g)(5) (before their repeal) that is
12 attributable to the taxing district.

13 STEP TWO: Divide:

14 (A) that part of each county's eligible property tax replacement
15 amount (as defined in IC 6-1.1-21-2) (before its repeal) for
16 that year as determined under IC 6-1.1-21-4(a)(1) (before its
17 repeal) that is attributable to the taxing district; by

18 (B) the amount determined under STEP ONE.

19 STEP THREE: Multiply:

20 (A) the STEP TWO quotient; by

21 (B) the taxpayer's taxes (as defined in IC 6-1.1-21-2) (before
22 its repeal) levied in the taxing district allocated to the
23 allocation fund, including the amount that would have been
24 allocated but for the credit.

25 (d) The commission may determine to grant to taxpayers in an
26 allocation area from its allocation fund a credit under this section, as
27 calculated under subsection (c). Except as provided in subsection (g),
28 one-half (1/2) of the credit shall be applied to each installment of taxes
29 (as defined in IC 6-1.1-21-2) (before its repeal) that under
30 IC 6-1.1-22-9 are due and payable in a year. The commission must
31 provide for the credit annually by a resolution and must find in the
32 resolution the following:

33 (1) That the money to be collected and deposited in the allocation
34 fund, based upon historical collection rates, after granting the
35 credit will equal the amounts payable for contractual obligations
36 from the fund, plus ten percent (10%) of those amounts.

37 (2) If bonds payable from the fund are outstanding, that there is
38 a debt service reserve for the bonds that at least equals the amount
39 of the credit to be granted.

40 (3) If bonds of a lessor under section 25.2 of this chapter or under
41 IC 36-1-10 are outstanding and if lease rentals are payable from
42 the fund, that there is a debt service reserve for those bonds that

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1 at least equals the amount of the credit to be granted.
 2 If the tax increment is insufficient to grant the credit in full, the
 3 commission may grant the credit in part, prorated among all taxpayers.
 4 (e) Notwithstanding section 39(b) of this chapter, the allocation
 5 fund established under section 39(b) of this chapter for the allocation
 6 area for a program adopted under section 45 of this chapter may only
 7 be used to do one (1) or more of the following:
 8 (1) Accomplish one (1) or more of the actions set forth in section
 9 39(b)(4)(A) through 39(b)(4)(H) and 39(b)(4)(J) of this chapter
 10 for property that is residential in nature.
 11 (2) Reimburse the county or municipality for expenditures made
 12 by the county or municipality in order to accomplish the housing
 13 program in that allocation area.
 14 The allocation fund may not be used for operating expenses of the
 15 commission.
 16 (f) Notwithstanding section 39(b) of this chapter, the commission
 17 shall, relative to the allocation fund established under section 39(b) of
 18 this chapter for an allocation area for a program adopted under section
 19 45 of this chapter, do the following before June 15 of each year:
 20 (1) Determine the amount, if any, by which the assessed value of
 21 the taxable property in the allocation area for the most recent
 22 assessment date minus the base assessed value, when multiplied
 23 by the estimated tax rate of the allocation area, will exceed the
 24 amount of assessed value needed to produce the property taxes
 25 necessary to:
 26 (A) make the distribution required under section 39(b)(2) and
 27 39(b)(3) of this chapter;
 28 (B) make, when due, principal and interest payments on bonds
 29 described in section 39(b)(4) of this chapter;
 30 (C) pay the amount necessary for other purposes described in
 31 section 39(b)(4) of this chapter; and
 32 (D) reimburse the county or municipality for anticipated
 33 expenditures described in subsection (e)(2).
 34 (2) Provide a written notice to the county auditor, the fiscal body
 35 of the county or municipality that established the department of
 36 redevelopment, and the officers who are authorized to fix budgets,
 37 tax rates, and tax levies under IC 6-1.1-17-5 for each of the other
 38 taxing units that is wholly or partly located within the allocation
 39 area. The county auditor, upon receiving the notice, shall forward
 40 this notice (in an electronic format) to the department of local
 41 government finance not later than June 15 of each year. The
 42 notice must:

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1 (A) state the amount, if any, of excess property taxes that the
 2 commission has determined may be paid to the respective
 3 taxing units in the manner prescribed in section 39(b)(1) of
 4 this chapter; or
 5 (B) state that the commission has determined that there is no
 6 excess assessed value that may be allocated to the respective
 7 taxing units in the manner prescribed in subdivision (1).
 8 The county auditor shall allocate to the respective taxing units the
 9 amount, if any, of excess assessed value determined by the
 10 commission. **If a commission fails to provide the notice under
 11 this subdivision, the county auditor shall allocate five percent
 12 (5%) of the assessed value in the allocation area that is used
 13 to calculate the allocation and distribution of allocated tax
 14 proceeds under this section to the respective taxing units.
 15 However, if the commission notifies the county auditor and
 16 the department of local government finance, no later than
 17 June 15, that it is unable to meet its debt service obligations
 18 with regard to the allocation area without all or part of the
 19 allocated tax proceeds attributed to the assessed value that
 20 has been allocated to the respective taxing units, then the
 21 county auditor may not allocate five percent (5%) of the
 22 assessed value in the allocation area that is used to calculate
 23 the allocation and distribution of allocated tax proceeds under
 24 this section to the respective taxing units.**
 25 (3) If:
 26 (A) the amount of excess assessed value determined by the
 27 commission is expected to generate more than two hundred
 28 percent (200%) of the amount of allocated tax proceeds
 29 necessary to make, when due, principal and interest payments
 30 on bonds described in subdivision (1); plus
 31 (B) the amount necessary for other purposes described in
 32 subdivision (1);
 33 the commission shall submit to the legislative body of the unit its
 34 determination of the excess assessed value that the commission
 35 proposes to allocate to the respective taxing units in the manner
 36 prescribed in subdivision (2). The legislative body of the unit may
 37 approve the commission's determination or modify the amount of
 38 the excess assessed value that will be allocated to the respective
 39 taxing units in the manner prescribed in subdivision (2).
 40 (g) This subsection applies to an allocation area only to the extent
 41 that the net assessed value of property that is assessed as residential
 42 property under the rules of the department of local government finance

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1 is not included in the base assessed value. If property tax installments
2 with respect to a homestead (as defined in IC 6-1.1-12-37) are due in
3 installments established by the department of local government finance
4 under IC 6-1.1-22-9.5, each taxpayer subject to those installments in an
5 allocation area is entitled to an additional credit under subsection (d)
6 for the taxes (as defined in IC 6-1.1-21-2) (before its repeal) due in
7 installments. The credit shall be applied in the same proportion to each
8 installment of taxes (as defined in IC 6-1.1-21-2) (before its repeal).

9 SECTION ~~49~~[149]. IC 36-7-14-52, AS AMENDED BY
10 P.L.236-2023, SECTION 181, IS AMENDED TO READ AS
11 FOLLOWS [EFFECTIVE ~~JULY 1, 2026~~[UPON PASSAGE]]: Sec.
12 52. (a) Notwithstanding section 39(a) of this chapter, with respect to
13 the allocation and distribution of property taxes for the accomplishment
14 of the purposes of an age-restricted housing program adopted under
15 section 49 of this chapter, "base assessed value" means, subject to
16 section 39(j) of this chapter, the net assessed value of all of the
17 property, other than personal property, as finally determined for the
18 assessment date immediately preceding the effective date of the
19 allocation provision, as adjusted under section 39(h) of this chapter.

20 (b) The allocation fund established under section 39(b) of this
21 chapter for the allocation area for an age-restricted housing program
22 adopted under section 49 of this chapter may be used only for purposes
23 related to the accomplishment of the purposes of the program,
24 including, but not limited to, the following:

- 25 (1) The construction of any infrastructure (including streets,
26 sidewalks, and sewers) or local public improvements in, serving,
27 or benefiting the allocation area.
- 28 (2) The acquisition of real property and interests in real property
29 within the allocation area.
- 30 (3) The preparation of real property in anticipation of
31 development of the real property within the allocation area.
- 32 (4) To do any of the following:
 - 33 (A) Pay the principal of and interest on bonds or any other
34 obligations payable from allocated tax proceeds in the
35 allocation area that are incurred by the redevelopment district
36 for the purpose of financing or refinancing the age-restricted
37 housing program established under section 49 of this chapter
38 for the allocation area.
 - 39 (B) Establish, augment, or restore the debt service reserve for
40 bonds payable solely or in part from allocated tax proceeds in
41 the allocation area.
 - 42 (C) Pay the principal of and interest on bonds payable from

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- 1 allocated tax proceeds in the 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 the allocation area.
- 6 (E) Pay premiums on the redemption before maturity of bonds
- 7 payable solely or in part from allocated tax proceeds in the
- 8 allocation area.
- 9 (F) Make payments on leases payable from allocated tax
- 10 proceeds in the allocation area under section 25.2 of this
- 11 chapter.
- 12 (G) Reimburse the unit for expenditures made by the unit for
- 13 local 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 the allocation area.
- 17 (c) Notwithstanding section 39(b) of this chapter, the commission
- 18 shall, relative to the allocation fund established under section 39(b) of
- 19 this chapter for an allocation area for an age-restricted housing program
- 20 adopted under section 49 of this chapter, do the following before June
- 21 15 of each year:
- 22 (1) Determine the amount, if any, by which the assessed value of
- 23 the taxable property in the allocation area for the most recent
- 24 assessment date minus the base assessed value, when multiplied
- 25 by the estimated tax rate of the allocation area, will exceed the
- 26 amount of assessed value needed to produce the property taxes
- 27 necessary to:
- 28 (A) make the distribution required under section 39(b)(2) and
- 29 39(b)(3) of this chapter;
- 30 (B) make, when due, principal and interest payments on bonds
- 31 described in section 39(b)(4) of this chapter;
- 32 (C) pay the amount necessary for other purposes described in
- 33 section 39(b)(4) of this chapter; and
- 34 (D) reimburse the county or municipality for anticipated
- 35 expenditures described in subsection (b)(2).
- 36 (2) Provide a written notice to the county auditor, the fiscal body
- 37 of the county or municipality that established the department of
- 38 redevelopment, and the officers who are authorized to fix budgets,
- 39 tax rates, and tax levies under IC 6-1.1-17-5 for each of the other
- 40 taxing units that is wholly or partly located within the allocation
- 41 area. The county auditor, upon receiving the notice, shall forward
- 42 this notice (in an electronic format) to the department of local

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1 government finance not later than June 15 of each year. The
2 notice must:

3 (A) state the amount, if any, of excess property taxes that the
4 commission has determined may be paid to the respective
5 taxing units in the manner prescribed in section 39(b)(1) of
6 this chapter; or

7 (B) state that the commission has determined that there is no
8 excess assessed value that may be allocated to the respective
9 taxing units in the manner prescribed in subdivision (1).

10 The county auditor shall allocate to the respective taxing units the
11 amount, if any, of excess assessed value determined by the
12 commission. **If a commission fails to provide the notice under
13 subdivision (2), the county auditor shall allocate five percent (5%)
14 of the assessed value in the allocation area that is used to calculate
15 the allocation and distribution of allocated tax proceeds under this
16 section to the respective taxing units. However, if the commission
17 notifies the county auditor and the department of local government
18 finance, no later than July 15, that it is unable to meet its debt
19 service obligations with regard to the allocation area without all or
20 part of the allocated tax proceeds attributed to the assessed value
21 that has been allocated to the respective taxing units, then the
22 county auditor may not allocate five percent (5%) of the assessed
23 value in the allocation area that is used to calculate the allocation
24 and distribution of allocated tax proceeds under this section to the
25 respective taxing units.**

26 SECTION ~~50~~ [150]. IC 36-7-14.2-1, AS ADDED BY
27 P.L.80-2014, SECTION 11, IS AMENDED TO READ AS FOLLOWS
28 [EFFECTIVE ~~JULY 1, 2026~~ UPON PASSAGE]: Sec. 1. As used
29 in this chapter, "property taxes" means:

30 (1) property taxes, as described in:

31 (A) ~~IC 6-1.1-39-5(g)~~; **IC 6-1.1-39-5(h)**;

32 (B) IC 36-7-14-39(a);

33 (C) IC 36-7-14-39.2;

34 (D) IC 36-7-14-39.3(c);

35 (E) IC 36-7-14.5-12.5;

36 (F) IC 36-7-15.1-26(a);

37 (G) IC 36-7-15.1-26.2(c);

38 (H) IC 36-7-15.1-53(a);

39 (I) IC 36-7-15.1-55(c);

40 (J) IC 36-7-30-25(a)(3);

41 (K) IC 36-7-30-26(c);

42 (L) IC 36-7-30.5-30; or



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1 (M) IC 36-7-30.5-31; and
 2 (2) for allocation areas created under IC 8-22-3.5, the taxes
 3 assessed on taxable tangible property in the allocation area.
 4 SECTION ~~<51>~~[151]. IC 36-7-15.1-26, AS AMENDED BY
 5 P.L.174-2022, SECTION 72, IS AMENDED TO READ AS
 6 FOLLOWS [EFFECTIVE ~~<JULY 1, 2026>~~[UPON PASSAGE]]: Sec.
 7 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
 42 after June 30, 1997; and

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1 (B) after June 30, 1997, a new allocation provision is included
 2 in an amendment to the declaratory resolution;
 3 the net assessed value of all the property as finally determined for
 4 the assessment date immediately preceding the effective date of
 5 the allocation provision adopted after June 30, 1997, as adjusted
 6 under subsection (h).
 7 (4) Except as provided in subdivision (5), for all other allocation
 8 areas, 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).
 12 (5) If an allocation area established in an economic development
 13 area before July 1, 1995, is expanded after June 30, 1995, the
 14 definition in subdivision (1) applies to the expanded part of the
 15 area added after June 30, 1995.
 16 (6) If an allocation area established in a redevelopment project
 17 area before July 1, 1997, is expanded after June 30, 1997, the
 18 definition in subdivision (2) applies to the expanded part of the
 19 area added after June 30, 1997.
 20 Except as provided in section 26.2 of this chapter, "property taxes"
 21 means taxes imposed under IC 6-1.1 on real property. However, upon
 22 approval by a resolution of the redevelopment commission adopted
 23 before June 1, 1987, "property taxes" also includes taxes imposed
 24 under IC 6-1.1 on depreciable personal property. If a redevelopment
 25 commission adopted before June 1, 1987, a resolution to include within
 26 the definition of property taxes, taxes imposed under IC 6-1.1 on
 27 depreciable personal property that has a useful life in excess of eight
 28 (8) years, the commission may by resolution determine the percentage
 29 of taxes imposed under IC 6-1.1 on all depreciable personal property
 30 that will be included within the definition of property taxes. However,
 31 the percentage included must not exceed twenty-five percent (25%) of
 32 the taxes imposed under IC 6-1.1 on all depreciable personal property.
 33 (b) A resolution adopted under section 8 of this chapter on or before
 34 the allocation deadline determined under subsection (i) may include a
 35 provision with respect to the allocation and distribution of property
 36 taxes for the purposes and in the manner provided in this section. A
 37 resolution previously adopted may include an allocation provision by
 38 the amendment of that resolution on or before the allocation deadline
 39 determined under subsection (i) in accordance with the procedures
 40 required for its original adoption. A declaratory resolution or
 41 amendment that establishes an allocation provision must include a
 42 specific finding of fact, supported by evidence, that the adoption of the

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1 allocation provision will result in new property taxes in the area that
 2 would not have been generated but for the adoption of the allocation
 3 provision. For an allocation area established before July 1, 1995, the
 4 expiration date of any allocation provisions for the allocation area is
 5 June 30, 2025, or the last date of any obligations that are outstanding
 6 on July 1, 2015, whichever is later. However, for an allocation area
 7 identified as the Consolidated Allocation Area in the report submitted
 8 in 2013 to the fiscal body under section 36.3 of this chapter, the
 9 expiration date of any allocation provisions for the allocation area is
 10 January 1, 2051. A declaratory resolution or an amendment that
 11 establishes an allocation provision after June 30, 1995, must specify an
 12 expiration date for the allocation provision. For an allocation area
 13 established before July 1, 2008, the expiration date may not be more
 14 than thirty (30) years after the date on which the allocation provision
 15 is established. For an allocation area established after June 30, 2008,
 16 the expiration date may not be more than twenty-five (25) years after
 17 the date on which the first obligation was incurred to pay principal and
 18 interest on bonds or lease rentals on leases payable from tax increment
 19 revenues. However, with respect to bonds or other obligations that were
 20 issued before July 1, 2008, if any of the bonds or other obligations that
 21 were scheduled when issued to mature before the specified expiration
 22 date and that are payable only from allocated tax proceeds with respect
 23 to the allocation area remain outstanding as of the expiration date, the
 24 allocation provision does not expire until all of the bonds or other
 25 obligations are no longer outstanding. The allocation provision may
 26 apply to all or part of the redevelopment project area. The allocation
 27 provision must require that any property taxes subsequently levied by
 28 or for the benefit of any public body entitled to a distribution of
 29 property taxes on taxable property in the allocation area be allocated
 30 and distributed as follows:

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

33 (A) the assessed value of the property for the assessment date
 34 with respect to which the allocation and distribution is made;

35 or

36 (B) the base assessed value;

37 shall be allocated to and, when collected, paid into the funds of
 38 the respective taxing units.

39 (2) The excess of the proceeds of the property taxes imposed for
 40 the assessment date with respect to which the allocation and
 41 distribution is made that are attributable to taxes imposed after
 42 being approved by the voters in a referendum or local public



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1 question conducted after April 30, 2010, not otherwise included
 2 in subdivision (1) shall be allocated to and, when collected, paid
 3 into the funds of the taxing unit for which the referendum or local
 4 public question was conducted.
 5 (3) Except as otherwise provided in this section, property tax
 6 proceeds in excess of those described in subdivisions (1) and (2)
 7 shall be allocated to the redevelopment district and, when
 8 collected, paid into a special fund for that allocation area that may
 9 be used by the redevelopment district only to do one (1) or more
 10 of the following:
 11 (A) Pay the principal of and interest on any obligations
 12 payable solely from allocated tax proceeds that are incurred by
 13 the redevelopment district for the purpose of financing or
 14 refinancing the redevelopment of that allocation area.
 15 (B) Establish, augment, or restore the debt service reserve for
 16 bonds payable solely or in part from allocated tax proceeds in
 17 that allocation area.
 18 (C) Pay the principal of and interest on bonds payable from
 19 allocated tax proceeds in that allocation area and from the
 20 special tax levied under section 19 of this chapter.
 21 (D) Pay the principal of and interest on bonds issued by the
 22 consolidated city to pay for local public improvements that are
 23 physically located in or physically connected to that allocation
 24 area.
 25 (E) Pay premiums on the redemption before maturity of bonds
 26 payable solely or in part from allocated tax proceeds in that
 27 allocation area.
 28 (F) Make payments on leases payable from allocated tax
 29 proceeds in that allocation area under section 17.1 of this
 30 chapter.
 31 (G) Reimburse the consolidated city for expenditures for local
 32 public improvements (which include buildings, parking
 33 facilities, and other items set forth in section 17 of this
 34 chapter) that are physically located in or physically connected
 35 to that allocation area.
 36 (H) Reimburse the unit for rentals paid by it for a building or
 37 parking facility that is physically located in or physically
 38 connected to that allocation area under any lease entered into
 39 under IC 36-1-10.
 40 (I) Reimburse public and private entities for expenses incurred
 41 in training employees of industrial facilities that are located:
 42 (i) in the allocation area; and

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(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 within three (3) years after the date on which the investments that are the basis for the increment financing are made.

(J) Pay the costs of carrying out an eligible efficiency project (as defined in IC 36-9-41-1.5) within the unit that established the redevelopment commission. However, property tax proceeds may be used under this clause to pay the costs of carrying out an eligible efficiency project only if those property tax proceeds exceed the amount necessary to do the following:

- (i) Make, when due, any payments required under clauses (A) through (I), including any payments of principal and interest on bonds and other obligations payable under this subdivision, any payments of premiums under this subdivision on the redemption before maturity of bonds, and any payments on leases payable under this subdivision.
- (ii) Make any reimbursements required under this subdivision.
- (iii) Pay any expenses required under this subdivision.
- (iv) Establish, augment, or restore any debt service reserve under this subdivision.

(K) Expend money and provide financial assistance as authorized in section 7(a)(21) of this chapter.

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

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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:
(i) the amount of excess assessed value determined by the commission is expected to generate more than two hundred percent (200%) of the amount of allocated tax proceeds necessary to make, when due, principal and interest payments on bonds described in subdivision (3); plus

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1 (ii) the amount necessary for other purposes described in
 2 subdivision (3) and subsection (g);
 3 the commission shall submit to the legislative body of the unit
 4 the commission's determination of the excess assessed value
 5 that the commission proposes to allocate to the respective
 6 taxing units in the manner prescribed in subdivision (1). The
 7 legislative body of the unit may approve the commission's
 8 determination or modify the amount of the excess assessed
 9 value that will be allocated to the respective taxing units in the
 10 manner prescribed in subdivision (1).

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 the 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 under a reassessment plan prepared under
33 IC 6-1.1-4-4.2, the ~~department of local government finance~~ **county**
34 **auditor** shall, **on forms prescribed by the department of local**
35 **government finance**, adjust the base assessed value one (1) time to
36 neutralize any effect of the reassessment of the real property in the area
37 on the property tax proceeds allocated to the redevelopment district
38 under this section. After each annual adjustment under IC 6-1.1-4-4.5,
39 the ~~department of local government finance~~ **county auditor** shall, **on**
40 **forms prescribed by the department of local government finance**,
41 adjust the base assessed value to neutralize any effect of the annual
42 adjustment on the property tax proceeds allocated to the redevelopment

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1 district under this section. However, the adjustments under this
 2 subsection may not include the effect of property tax abatements under
 3 IC 6-1.1-12.1, and these adjustments may not produce less property tax
 4 proceeds allocable to the redevelopment district under subsection
 5 (b)(3) than would otherwise have been received if the reassessment
 6 under the reassessment plan or annual adjustment had not occurred. <
 7 > [] The department of local government finance may prescribe
 8 procedures for county and township officials to follow to assist the
 9 department in making the adjustments. **The county auditor shall, in**
 10 **the manner prescribed by the department of local government**
 11 **finance, submit the forms required by this subsection to the**
 12 **department of local government finance no later than July 15 of**
 13 **each year. If the county auditor fails to submit the forms by the**
 14 **deadline under this subsection, the county auditor shall allocate**
 15 **five percent (5%) of the assessed value in the allocation area that**
 16 **is used to calculate the allocation and distribution of allocated tax**
 17 **proceeds under this section to the respective taxing units. However,**
 18 **if the commission notifies the county auditor and the department**
 19 **of local government finance, no later than July 15, that it is unable**
 20 **to meet its debt service obligations with regard to the allocation**
 21 **area without all or part of the allocated tax proceeds attributed to**
 22 **the assessed value that has been allocated to the respective taxing**
 23 **units, then the county auditor may not allocate five percent (5%)**
 24 **of the assessed value in the allocation area that is used to calculate**
 25 **the allocation and distribution of allocated tax proceeds under this**
 26 **section to the respective taxing units.**

27 (i) The allocation deadline referred to in subsection (b) is
 28 determined in the following manner:

29 (1) The initial allocation deadline is December 31, 2011.

30 (2) Subject to subdivision (3), the initial allocation deadline and
 31 subsequent allocation deadlines are automatically extended in
 32 increments of five (5) years, so that allocation deadlines
 33 subsequent to the initial allocation deadline fall on December 31,
 34 2016, and December 31 of each fifth year thereafter.

35 (3) At least one (1) year before the date of an allocation deadline
 36 determined under subdivision (2), the general assembly may enact
 37 a law that:

38 (A) terminates the automatic extension of allocation deadlines
 39 under subdivision (2); and

40 (B) specifically designates a particular date as the final
 41 allocation deadline.

42 (j) If the commission adopts a declaratory resolution or an

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1 amendment to a declaratory resolution that contains an allocation
 2 provision and the commission makes either of the filings required
 3 under section 10(e) of this chapter after the first anniversary of the
 4 effective date of the allocation provision, the auditor of the county in
 5 which the unit is located shall compute the base assessed value for the
 6 allocation area using the assessment date immediately preceding the
 7 later of:

8 (1) the date on which the documents are filed with the county
 9 auditor; or

10 (2) the date on which the documents are filed with the department
 11 of local government finance.

12 (k) For an allocation area established after June 30, 2024,
 13 "residential property" refers to the assessed value of property that is
 14 allocated to the one percent (1%) homestead land and improvement
 15 categories in the county tax and billing software system, along with the
 16 residential assessed value as defined for purposes of calculating the
 17 rate for the local income tax property tax relief credit designated for
 18 residential property under IC 6-3.6-5-6(d)(3).

19 SECTION ~~52~~ [152]. IC 36-7-15.1-26, AS AMENDED BY
 20 P.L.68-2025, SECTION 235, IS AMENDED TO READ AS
 21 FOLLOWS [EFFECTIVE JULY 1, 202~~4~~ [8]]: Sec. 26. (a) As used
 22 in this section:

23 "Allocation area" means that part of a redevelopment project area
 24 to which an allocation provision of a resolution adopted under section
 25 8 of this chapter refers for purposes of distribution and allocation of
 26 property taxes.

27 "Base assessed value" means, subject to subsection (j), the
 28 following:

29 (1) If an allocation provision is adopted after June 30, 1995, in a
 30 declaratory resolution or an amendment to a declaratory
 31 resolution establishing an economic development area:

32 (A) the net assessed value of all the property as finally
 33 determined for the assessment date immediately preceding the
 34 effective date of the allocation provision of the declaratory
 35 resolution, as adjusted under subsection (h); plus

36 (B) to the extent that it is not included in clause (A), the net
 37 assessed value of property that is assessed as residential
 38 property under the rules of the department of local government
 39 finance, within the allocation area, as finally determined for
 40 the current assessment date.

41 (2) If an allocation provision is adopted after June 30, 1997, in a
 42 declaratory resolution or an amendment to a declaratory



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1 resolution establishing a redevelopment project area:
 2 (A) the net assessed value of all the property as finally
 3 determined for the assessment date immediately preceding the
 4 effective 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), the net
 7 assessed value of property that is assessed as residential
 8 property under the rules of the department of local government
 9 finance, within the allocation area, as finally determined for
 10 the current assessment date.

11 (3) If:
 12 (A) an allocation provision adopted before June 30, 1995, in
 13 a declaratory resolution or an amendment to a declaratory
 14 resolution establishing a redevelopment project area expires
 15 after June 30, 1997; and
 16 (B) after June 30, 1997, a new allocation provision is included
 17 in an amendment to the declaratory resolution;
 18 the net assessed value of all the property as finally determined for
 19 the assessment date immediately preceding the effective date of
 20 the allocation provision adopted after June 30, 1997, as adjusted
 21 under subsection (h).

22 (4) Except as provided in subdivision (5), for all other allocation
 23 areas, the net assessed value of all the property as finally
 24 determined for the assessment date immediately preceding the
 25 effective date of the allocation provision of the declaratory
 26 resolution, as adjusted under subsection (h).

27 (5) If an allocation area established in an economic development
 28 area before July 1, 1995, is expanded after June 30, 1995, the
 29 definition in subdivision (1) applies to the expanded part of the
 30 area added after June 30, 1995.

31 (6) If an allocation area established in a redevelopment project
 32 area before July 1, 1997, is expanded after June 30, 1997, the
 33 definition in subdivision (2) applies to the expanded part of the
 34 area added after June 30, 1997.

35 Except as provided in section 26.2 of this chapter, "property taxes"
 36 means taxes imposed under IC 6-1.1 on real property. However, upon
 37 approval by a resolution of the redevelopment commission adopted
 38 before June 1, 1987, "property taxes" also includes taxes imposed
 39 under IC 6-1.1 on depreciable personal property. If a redevelopment
 40 commission adopted before June 1, 1987, a resolution to include within
 41 the definition of property taxes, taxes imposed under IC 6-1.1 on
 42 depreciable personal property that has a useful life in excess of eight

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1 (8) years, the commission may by resolution determine the percentage
 2 of taxes imposed under IC 6-1.1 on all depreciable personal property
 3 that will be included within the definition of property taxes. However,
 4 the percentage included must not exceed twenty-five percent (25%) of
 5 the taxes imposed under IC 6-1.1 on all depreciable personal property.
 6 (b) A resolution adopted under section 8 of this chapter on or before
 7 the allocation deadline determined under subsection (i) may include a
 8 provision with respect to the allocation and distribution of property
 9 taxes for the purposes and in the manner provided in this section. A
 10 resolution previously adopted may include an allocation provision by
 11 the amendment of that resolution on or before the allocation deadline
 12 determined under subsection (i) in accordance with the procedures
 13 required for its original adoption. A declaratory resolution or
 14 amendment that establishes an allocation provision must include a
 15 specific finding of fact, supported by evidence, that the adoption of the
 16 allocation provision will result in new property taxes in the area that
 17 would not have been generated but for the adoption of the allocation
 18 provision. For an allocation area established before July 1, 1995, the
 19 expiration date of any allocation provisions for the allocation area is
 20 June 30, 2025, or the last date of any obligations that are outstanding
 21 on July 1, 2015, whichever is later. However, for an allocation area
 22 identified as the Consolidated Allocation Area in the report submitted
 23 in 2013 to the fiscal body under section 36.3 of this chapter, the
 24 expiration date of any allocation provisions for the allocation area is
 25 January 1, 2051. A declaratory resolution or an amendment that
 26 establishes an allocation provision after June 30, 1995, must specify an
 27 expiration date for the allocation provision. For an allocation area
 28 established before July 1, 2008, the expiration date may not be more
 29 than thirty (30) years after the date on which the allocation provision
 30 is established. For an allocation area established after June 30, 2008,
 31 the expiration date may not be more than twenty-five (25) years after
 32 the date on which the first obligation was incurred to pay principal and
 33 interest on bonds or lease rentals on leases payable from tax increment
 34 revenues. However, with respect to bonds or other obligations that were
 35 issued before July 1, 2008, if any of the bonds or other obligations that
 36 were scheduled when issued to mature before the specified expiration
 37 date and that are payable only from allocated tax proceeds with respect
 38 to the allocation area remain outstanding as of the expiration date, the
 39 allocation provision does not expire until all of the bonds or other
 40 obligations are no longer outstanding. The allocation provision may
 41 apply to all or part of the redevelopment project area. The allocation
 42 provision must require that any property taxes subsequently levied by

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1 or for the benefit of any public body entitled to a distribution of
 2 property taxes on taxable property in the allocation area be allocated
 3 and distributed as follows:

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

6 (A) the assessed value of the property for the assessment date
 7 with respect to which the allocation and distribution is made;

8 or

9 (B) the base assessed value;

10 shall be allocated to and, when collected, paid into the funds of
 11 the respective taxing units.

12 (2) The excess of the proceeds of the property taxes imposed for
 13 the assessment date with respect to which the allocation and
 14 distribution is made that are attributable to taxes imposed after
 15 being approved by the voters in a referendum or local public
 16 question conducted after April 30, 2010, not otherwise included
 17 in subdivision (1) shall be allocated to and, when collected, paid
 18 into the funds of the taxing unit for which the referendum or local
 19 public question was conducted.

20 (3) Except as otherwise provided in this section, property tax
 21 proceeds in excess of those described in subdivisions (1) and (2)
 22 shall be allocated to the redevelopment district and, when
 23 collected, paid into a special fund for that allocation area that may
 24 be used by the redevelopment district only to do one (1) or more
 25 of the following:

26 (A) Pay the principal of and interest on any obligations
 27 payable solely from allocated tax proceeds that are incurred by
 28 the redevelopment district for the purpose of financing or
 29 refinancing the redevelopment of that allocation area.

30 (B) Establish, augment, or restore the debt service reserve for
 31 bonds payable solely or in part from allocated tax proceeds in
 32 that allocation area.

33 (C) Pay the principal of and interest on bonds payable from
 34 allocated tax proceeds in that allocation area and from the
 35 special tax levied under section 19 of this chapter.

36 (D) Pay the principal of and interest on bonds issued by the
 37 consolidated city to pay for local public improvements that are
 38 physically located in or physically connected to that allocation
 39 area.

40 (E) Pay premiums on the redemption before maturity of bonds
 41 payable solely or in part from allocated tax proceeds in that
 42 allocation area.



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- 1 (F) Make payments on leases payable from allocated tax
2 proceeds in that allocation area under section 17.1 of this
3 chapter.
- 4 (G) Reimburse the consolidated city for expenditures for local
5 public improvements (which include buildings, parking
6 facilities, and other items set forth in section 17 of this
7 chapter) that are physically located in or physically connected
8 to that allocation area.
- 9 (H) Reimburse the unit for rentals paid by it for a building or
10 parking facility that is physically located in or physically
11 connected to that allocation area under any lease entered into
12 under IC 36-1-10.
- 13 (I) Reimburse public and private entities for expenses incurred
14 in training employees of industrial facilities that are located:
- 15 (i) in the allocation area; and
16 (ii) on a parcel of real property that has been classified as
17 industrial property under the rules of the department of local
18 government finance.
- 19 However, the total amount of money spent for this purpose in
20 any year may not exceed the total amount of money in the
21 allocation fund that is attributable to property taxes paid by the
22 industrial facilities described in this clause. The
23 reimbursements under this clause must be made within three
24 (3) years after the date on which the investments that are the
25 basis for the increment financing are made.
- 26 (J) Pay the costs of carrying out an eligible efficiency project
27 (as defined in IC 36-9-41-1.5) within the unit that established
28 the redevelopment commission. However, property tax
29 proceeds may be used under this clause to pay the costs of
30 carrying out an eligible efficiency project only if those
31 property tax proceeds exceed the amount necessary to do the
32 following:
- 33 (i) Make, when due, any payments required under clauses
34 (A) through (I), including any payments of principal and
35 interest on bonds and other obligations payable under this
36 subdivision, any payments of premiums under this
37 subdivision on the redemption before maturity of bonds, and
38 any payments on leases payable under this subdivision.
- 39 (ii) Make any reimbursements required under this
40 subdivision.
- 41 (iii) Pay any expenses required under this subdivision.
- 42 (iv) Establish, augment, or restore any debt service reserve

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under this subdivision.

(K) Expend money and provide financial assistance as authorized in section 7(a)(21) of this chapter.

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 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**

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1 **finance, no later than July 15, that it is unable to meet its**
 2 **debt service obligations with regard to the allocation area**
 3 **without all or part of the allocated tax proceeds attributed**
 4 **to the assessed value that has been allocated to the**
 5 **respective taxing units, then the county auditor may not**
 6 **allocate five percent (5%) of the assessed value in the**
 7 **allocation area that is used to calculate the allocation and**
 8 **distribution of allocated tax proceeds under this section to**
 9 **the respective taxing units.**

10 (C) If:

11 (i) the amount of excess assessed value determined by the
 12 commission is expected to generate more than two hundred
 13 percent (200%) of the amount of allocated tax proceeds
 14 necessary to make, when due, principal and interest
 15 payments on bonds described in subdivision (3); plus

16 (ii) the amount necessary for other purposes described in
 17 subdivision (3) and subsection (g);

18 the commission shall submit to the legislative body of the unit
 19 the commission's determination of the excess assessed value
 20 that the commission proposes to allocate to the respective
 21 taxing units in the manner prescribed in subdivision (1). The
 22 legislative body of the unit may approve the commission's
 23 determination or modify the amount of the excess assessed
 24 value that will be allocated to the respective taxing units in the
 25 manner prescribed in subdivision (1).

26 (c) For the purpose of allocating taxes levied by or for any taxing
 27 unit or units, the assessed value of taxable property in a territory in the
 28 allocation area that is annexed by any taxing unit after the effective
 29 date of the allocation provision of the resolution is the lesser of:

30 (1) the assessed value of the property for the assessment date with
 31 respect to which the allocation and distribution is made; or

32 (2) the base assessed value.

33 (d) Property tax proceeds allocable to the redevelopment district
 34 under subsection (b)(3) may, subject to subsection (b)(4), be
 35 irrevocably pledged by the redevelopment district for payment as set
 36 forth in subsection (b)(3).

37 (e) Notwithstanding any other law, each assessor shall, upon
 38 petition of the commission, reassess the taxable property situated upon
 39 or in, or added to, the allocation area, effective on the next assessment
 40 date after the petition.

41 (f) Notwithstanding any other law, the assessed value of all taxable
 42 property in the allocation area, for purposes of tax limitation, property



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1 tax replacement, and formulation of the budget, tax rate, and tax levy
 2 for each political subdivision in which the property is located is the
 3 lesser of:

- 4 (1) the assessed value of the property as valued without regard to
 5 this section; or
 6 (2) the base assessed value.

7 (g) If any part of the allocation area is located in an enterprise zone
 8 created under IC 5-28-15, the unit that designated the allocation area
 9 shall create funds as specified in this subsection. A unit that has
 10 obligations, bonds, or leases payable from allocated tax proceeds under
 11 subsection (b)(3) shall establish an allocation fund for the purposes
 12 specified in subsection (b)(3) and a special zone fund. Such a unit
 13 shall, until the end of the enterprise zone phase out period, deposit each
 14 year in the special zone fund the amount in the allocation fund derived
 15 from property tax proceeds in excess of those described in subsection
 16 (b)(1) and (b)(2) from property located in the enterprise zone that
 17 exceeds the amount sufficient for the purposes specified in subsection
 18 (b)(3) for the year. A unit that has no obligations, bonds, or leases
 19 payable from allocated tax proceeds under subsection (b)(3) shall
 20 establish a special zone fund and deposit all the property tax proceeds
 21 in excess of those described in subsection (b)(1) and (b)(2) in the fund
 22 derived from property tax proceeds in excess of those described in
 23 subsection (b)(1) and (b)(2) from property located in the enterprise
 24 zone. The unit that creates the special zone fund shall use the fund,
 25 based on the recommendations of the urban enterprise association, for
 26 one (1) or more of the following purposes:

27 (1) To pay for programs in job training, job enrichment, and basic
 28 skill development designed to benefit residents and employers in
 29 the enterprise zone. The programs must reserve at least one-half
 30 (1/2) of the enrollment in any session for residents of the
 31 enterprise zone.

32 (2) To make loans and grants for the purpose of stimulating
 33 business activity in the enterprise zone or providing employment
 34 for enterprise zone residents in the enterprise zone. These loans
 35 and grants may be made to the following:

36 (A) Businesses operating in the enterprise zone.

37 (B) Businesses that will move their operations to the enterprise
 38 zone if such a loan or grant is made.

39 (3) To provide funds to carry out other purposes specified in
 40 subsection (b)(3). However, where reference is made in
 41 subsection (b)(3) to the allocation area, the reference refers for
 42 purposes of payments from the special zone fund only to that part



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1 of the allocation area that is also located in the enterprise zone.
2 (h) The state board of accounts and department of local government
3 finance shall make the rules and prescribe the forms and procedures
4 that they consider expedient for the implementation of this chapter.
5 After each reassessment under a reassessment plan prepared under
6 IC 6-1.1-4-4.2, the ~~department of local government finance county~~
7 **auditor shall, on forms prescribed by the department of local**
8 **government finance**, adjust the base assessed value one (1) time to
9 neutralize any effect of the reassessment of the real property in the area
10 on the property tax proceeds allocated to the redevelopment district
11 under this section. After each annual adjustment under IC 6-1.1-4-4.5,
12 the ~~department of local government finance county auditor~~ shall, **on**
13 **forms prescribed by the department of local government finance**,
14 adjust the base assessed value to neutralize any effect of the annual
15 adjustment on the property tax proceeds allocated to the redevelopment
16 district under this section. However, the adjustments under this
17 subsection may not include the effect of property tax abatements under
18 IC 6-1.1-12.1, and these adjustments may not produce less property tax
19 proceeds allocable to the redevelopment district under subsection
20 (b)(3) than would otherwise have been received if the reassessment
21 under the reassessment plan or annual adjustment had not occurred. <
22 >[] ~~The department of local government finance may prescribe~~
23 ~~procedures for county and township officials to follow to assist the~~
24 ~~department in making the adjustments. The county auditor shall, in~~
25 **the manner prescribed by the department of local government**
26 **finance, submit the forms required by this subsection to the**
27 **department of local government finance no later than July 15 of**
28 **each year. If the county auditor fails to submit the forms by the**
29 **deadline under this subsection, the county auditor shall allocate**
30 **five percent (5%) of the assessed value in the allocation area that**
31 **is used to calculate the allocation and distribution of allocated tax**
32 **proceeds under this section to the respective taxing units. However,**
33 **if the commission notifies the county auditor and the department**
34 **of local government finance, no later than July 15, that it is unable**
35 **to meet its debt service obligations with regard to the allocation**
36 **area without all or part of the allocated tax proceeds attributed to**
37 **the assessed value that has been allocated to the respective taxing**
38 **units, then the county auditor may not allocate five percent (5%)**
39 **of the assessed value in the allocation area that is used to calculate**
40 **the allocation and distribution of allocated tax proceeds under this**
41 **section to the respective taxing units.**
42 (i) The allocation deadline referred to in subsection (b) is

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1 determined in the following manner:

2 (1) The initial allocation deadline is December 31, 2011.

3 (2) Subject to subdivision (3), the initial allocation deadline and
4 subsequent allocation deadlines are automatically extended in
5 increments of five (5) years, so that allocation deadlines
6 subsequent to the initial allocation deadline fall on December 31,
7 2016, and December 31 of each fifth year thereafter.

8 (3) At least one (1) year before the date of an allocation deadline
9 determined under subdivision (2), the general assembly may enact
10 a law that:

11 (A) terminates the automatic extension of allocation deadlines
12 under subdivision (2); and

13 (B) specifically designates a particular date as the final
14 allocation deadline.

15 (j) If the commission adopts a declaratory resolution or an
16 amendment to a declaratory resolution that contains an allocation
17 provision and the commission makes either of the filings required
18 under section 10(e) of this chapter after the first anniversary of the
19 effective date of the allocation provision, the auditor of the county in
20 which the unit is located shall compute the base assessed value for the
21 allocation area using the assessment date immediately preceding the
22 later of:

23 (1) the date on which the documents are filed with the county
24 auditor; or

25 (2) the date on which the documents are filed with the department
26 of local government finance.

27 (k) For an allocation area established after June 30, 2024,
28 "residential property" refers to the assessed value of property that is
29 allocated to the one percent (1%) homestead land and improvement
30 categories in the county tax and billing software system, along with the
31 residential assessed value as defined for purposes of calculating the
32 rate for the local income tax property tax relief credit designated for
33 residential property under IC 6-3.6-5-6(d)(3) (before its expiration).

34 SECTION ~~<53>~~ [153], IC 36-7-15.1-35, AS AMENDED BY
35 P.L.257-2019, SECTION 128, IS AMENDED TO READ AS
36 FOLLOWS [EFFECTIVE ~~<JULY 1, 2026>~~ [UPON PASSAGE]]: Sec.
37 35. (a) Notwithstanding section 26(a) of this chapter, with respect to
38 the allocation and distribution of property taxes for the accomplishment
39 of a program adopted under section 32 of this chapter, "base assessed
40 value" means, subject to section 26(j) of this chapter, the net assessed
41 value of all of the land as finally determined for the assessment date
42 immediately preceding the effective date of the allocation provision, as



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1 adjusted under section 26(h) of this chapter. However, "base assessed
2 value" does not include the value of real property improvements to the
3 land.

4 (b) The special fund established under section 26(b) of this chapter
5 for the allocation area for a program adopted under section 32 of this
6 chapter may be used only for purposes related to the accomplishment
7 of the program, including the following:

8 (1) The construction, rehabilitation, or repair of residential units
9 within the allocation area.

10 (2) The construction, reconstruction, or repair of infrastructure
11 (such as streets, sidewalks, and sewers) within or serving the
12 allocation area.

13 (3) The acquisition of real property and interests in real property
14 within the allocation area.

15 (4) The demolition of real property within the allocation area.

16 (5) To provide financial assistance to enable individuals and
17 families to purchase or lease residential units within the allocation
18 area. However, financial assistance may be provided only to those
19 individuals and families whose income is at or below the county's
20 median income for individuals and families, respectively.

21 (6) To provide financial assistance to neighborhood development
22 corporations to permit them to provide financial assistance for the
23 purposes described in subdivision (5).

24 (7) For property taxes first due and payable before 2009, to
25 provide each taxpayer in the allocation area a credit for property
26 tax replacement as determined under subsections (c) and (d).
27 However, this credit may be provided by the commission only if
28 the city-county legislative body establishes the credit by
29 ordinance adopted in the year before the year in which the credit
30 is provided.

31 (c) The maximum credit that may be provided under subsection
32 (b)(7) to a taxpayer in a taxing district that contains all or part of an
33 allocation area established for a program adopted under section 32 of
34 this chapter shall be determined as follows:

35 STEP ONE: Determine that part of the sum of the amounts
36 described in IC 6-1.1-21-2(g)(1)(A) and IC 6-1.1-21-2(g)(2)
37 through IC 6-1.1-21-2(g)(5) (before their repeal) that is
38 attributable to the taxing district.

39 STEP TWO: Divide:

40 (A) that part of each county's eligible property tax replacement
41 amount (as defined in IC 6-1.1-21-2 (before its repeal)) for
42 that year as determined under IC 6-1.1-21-4(a)(1) (before its



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1 repeal) that is attributable to the taxing district; by
 2 (B) the amount determined under STEP ONE.
 3 STEP THREE: Multiply:
 4 (A) the STEP TWO quotient; by
 5 (B) the taxpayer's taxes (as defined in IC 6-1.1-21-2 (before its
 6 repeal)) levied in the taxing district allocated to the allocation
 7 fund, including the amount that would have been allocated but
 8 for the credit.
 9 (d) Except as provided in subsection (g), the commission may
 10 determine to grant to taxpayers in an allocation area from its allocation
 11 fund a credit under this section, as calculated under subsection (c), by
 12 applying one-half (1/2) of the credit to each installment of taxes (as
 13 defined in IC 6-1.1-21-2 (before its repeal)) that under IC 6-1.1-22-9
 14 are due and payable in a year. Except as provided in subsection (g),
 15 one-half (1/2) of the credit shall be applied to each installment of taxes
 16 (as defined in IC 6-1.1-21-2 (before its repeal)). The commission must
 17 provide for the credit annually by a resolution and must find in the
 18 resolution the following:
 19 (1) That the money to be collected and deposited in the allocation
 20 fund, based upon historical collection rates, after granting the
 21 credit will equal the amounts payable for contractual obligations
 22 from the fund, plus ten percent (10%) of those amounts.
 23 (2) If bonds payable from the fund are outstanding, that there is
 24 a debt service reserve for the bonds that at least equals the amount
 25 of the credit to be granted.
 26 (3) If bonds of a lessor under section 17.1 of this chapter or under
 27 IC 36-1-10 are outstanding and if lease rentals are payable from
 28 the fund, that there is a debt service reserve for those bonds that
 29 at least equals the amount of the credit to be granted.
 30 If the tax increment is insufficient to grant the credit in full, the
 31 commission may grant the credit in part, prorated among all taxpayers.
 32 (e) Notwithstanding section 26(b) of this chapter, the special fund
 33 established under section 26(b) of this chapter for the allocation area
 34 for a program adopted under section 32 of this chapter may only be
 35 used to do one (1) or more of the following:
 36 (1) Accomplish one (1) or more of the actions set forth in section
 37 26(b)(3)(A) through 26(b)(3)(H) of this chapter.
 38 (2) Reimburse the consolidated city for expenditures made by the
 39 city in order to accomplish the housing program in that allocation
 40 area.
 41 The special fund may not be used for operating expenses of the
 42 commission.

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1 (f) Notwithstanding section 26(b) of this chapter, the commission
 2 shall, relative to the special fund established under section 26(b) of this
 3 chapter for an allocation area for a program adopted under section 32
 4 of this chapter, do the following before June 15 of each year:

5 (1) Determine the amount, if any, by which the assessed value of
 6 the taxable property in the allocation area, when multiplied by the
 7 estimated tax rate of the allocation area, will exceed the amount
 8 of assessed value needed to produce the property taxes necessary
 9 to:

10 (A) make the distribution required under section 26(b)(2) of
 11 this chapter;

12 (B) make, when due, principal and interest payments on bonds
 13 described in section 26(b)(3) of this chapter;

14 (C) pay the amount necessary for other purposes described in
 15 section 26(b)(3) of this chapter; and

16 (D) reimburse the consolidated city for anticipated
 17 expenditures described in subsection (e)(2).

18 (2) Provide a written notice to the county auditor, the legislative
 19 body of the consolidated city, the officers who are authorized to
 20 fix budgets, tax rates, and tax levies under IC 6-1.1-17-5 for each
 21 of the other taxing units that is wholly or partly located within the
 22 allocation area, and (in an electronic format) the department of
 23 local government finance. The notice must:

24 (A) state the amount, if any, of excess assessed value that the
 25 commission has determined may be allocated to the respective
 26 taxing units in the manner prescribed in section 26(b)(1) of
 27 this chapter; or

28 (B) state that the commission has determined that there is no
 29 excess assessed value that may be allocated to the respective
 30 taxing units in the manner prescribed in section 26(b)(1) of
 31 this chapter.

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 this subdivision, the county auditor shall allocate five percent
 36 (5%) of the assessed value in the allocation area that is used
 37 to calculate the allocation and distribution of allocated tax
 38 proceeds under this section to the respective taxing units.
 39 However, if the commission notifies the county auditor and
 40 the department of local government finance, no later than
 41 July 15, that it is unable to meet its debt service obligations
 42 with regard to the allocation area without all or part of the**



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1 **allocated tax proceeds attributed to the assessed value that**
 2 **has been allocated to the respective taxing units, then the**
 3 **county auditor may not allocate five percent (5%) of the**
 4 **assessed value in the allocation area that is used to calculate**
 5 **the allocation and distribution of allocated tax proceeds under**
 6 **this section to the respective taxing units.**

7 (g) This subsection applies to an allocation area only to the extent
 8 that the net assessed value of property that is assessed as residential
 9 property under the rules of the department of local government finance
 10 is not included in the base assessed value. If property tax installments
 11 with respect to a homestead (as defined in IC 6-1.1-20.9-1 (before its
 12 repeal)) are due in installments established by the department of local
 13 government finance under IC 6-1.1-22-9.5, each taxpayer subject to
 14 those installments in an allocation area is entitled to an additional
 15 credit under subsection (d) for the taxes (as defined in IC 6-1.1-21-2
 16 (before its repeal)) due in installments. The credit shall be applied in
 17 the same proportion to each installment of taxes (as defined in
 18 IC 6-1.1-21-2 (before its repeal)).

19 SECTION ~~54~~ [154]. IC 36-7-15.1-53, AS AMENDED BY
 20 P.L.174-2022, SECTION 73, IS AMENDED TO READ AS
 21 FOLLOWS [EFFECTIVE ~~JULY 1, 2026~~ [UPON PASSAGE]]: Sec.
 22 53. (a) As used in this section:

23 "Allocation area" means that part of a redevelopment project area
 24 to which an allocation provision of a resolution adopted under section
 25 40 of this chapter refers for purposes of distribution and allocation of
 26 property taxes.

27 "Base assessed value" means, subject to subsection (j):

28 (1) the net assessed value of all the property as finally determined
 29 for the assessment date immediately preceding the effective date
 30 of the allocation provision of the declaratory resolution, as
 31 adjusted under subsection (h); plus

32 (2) to the extent that it is not included in subdivision (1), the net
 33 assessed value of property that is assessed as residential property
 34 under the rules of the department of local government finance, as
 35 finally determined for the current assessment date.

36 Except as provided in section 55 of this chapter, "property taxes"
 37 means taxes imposed under IC 6-1.1 on real property.

38 (b) A resolution adopted under section 40 of this chapter on or
 39 before the allocation deadline determined under subsection (i) may
 40 include a provision with respect to the allocation and distribution of
 41 property taxes for the purposes and in the manner provided in this
 42 section. A resolution previously adopted may include an allocation



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1 provision by the amendment of that resolution on or before the
 2 allocation deadline determined under subsection (i) in accordance with
 3 the procedures required for its original adoption. A declaratory
 4 resolution or an amendment that establishes an allocation provision
 5 must be approved by resolution of the legislative body of the excluded
 6 city and must specify an expiration date for the allocation provision.
 7 For an allocation area established before July 1, 2008, the expiration
 8 date may not be more than thirty (30) years after the date on which the
 9 allocation provision is established. For an allocation area established
 10 after June 30, 2008, the expiration date may not be more than
 11 twenty-five (25) years after the date on which the first obligation was
 12 incurred to pay principal and interest on bonds or lease rentals on
 13 leases payable from tax increment revenues. However, with respect to
 14 bonds or other obligations that were issued before July 1, 2008, if any
 15 of the bonds or other obligations that were scheduled when issued to
 16 mature before the specified expiration date and that are payable only
 17 from allocated tax proceeds with respect to the allocation area remain
 18 outstanding as of the expiration date, the allocation provision does not
 19 expire until all of the bonds or other obligations are no longer
 20 outstanding. The allocation provision may apply to all or part of the
 21 redevelopment project area. The allocation provision must require that
 22 any property taxes subsequently levied by or for the benefit of any
 23 public body entitled to a distribution of property taxes on taxable
 24 property in the allocation area be allocated and distributed as follows:
 25 (1) Except as otherwise provided in this section, the proceeds of
 26 the taxes attributable to the lesser of:
 27 (A) the assessed value of the property for the assessment date
 28 with respect to which the allocation and distribution is made;
 29 or
 30 (B) the base assessed value;
 31 shall be allocated to and, when collected, paid into the funds of
 32 the respective taxing units.
 33 (2) The excess of the proceeds of the property taxes imposed for
 34 the assessment date with respect to which the allocation and
 35 distribution is made that are attributable to taxes imposed after
 36 being approved by the voters in a referendum or local public
 37 question conducted after April 30, 2010, not otherwise included
 38 in subdivision (1) shall be allocated to and, when collected, paid
 39 into the funds of the taxing unit for which the referendum or local
 40 public question was conducted.
 41 (3) Except as otherwise provided in this section, property tax
 42 proceeds in excess of those described in subdivisions (1) and (2)

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1 shall be allocated to the redevelopment district and, when
2 collected, paid into a special fund for that allocation area that may
3 be used by the redevelopment district only to do one (1) or more
4 of the following:

5 (A) Pay the principal of and interest on any obligations
6 payable solely from allocated tax proceeds that are incurred by
7 the redevelopment district for the purpose of financing or
8 refinancing the redevelopment of that allocation area.

9 (B) Establish, augment, or restore the debt service reserve for
10 bonds payable solely or in part from allocated tax proceeds in
11 that allocation area.

12 (C) Pay the principal of and interest on bonds payable from
13 allocated tax proceeds in that allocation area and from the
14 special tax levied under section 50 of this chapter.

15 (D) Pay the principal of and interest on bonds issued by the
16 excluded city to pay for local public improvements that are
17 physically located in or physically connected to that allocation
18 area.

19 (E) Pay premiums on the redemption before maturity of bonds
20 payable solely or in part from allocated tax proceeds in that
21 allocation area.

22 (F) Make payments on leases payable from allocated tax
23 proceeds in that allocation area under section 46 of this
24 chapter.

25 (G) Reimburse the excluded city for expenditures for local
26 public improvements (which include buildings, park facilities,
27 and other items set forth in section 45 of this chapter) that are
28 physically located in or physically connected to that allocation
29 area.

30 (H) Reimburse the unit for rentals paid by it for a building or
31 parking facility that is physically located in or physically
32 connected to that allocation area under any lease entered into
33 under IC 36-1-10.

34 (I) Reimburse public and private entities for expenses incurred
35 in training employees of industrial facilities that are located:

- 36 (i) in the allocation area; and
- 37 (ii) on a parcel of real property that has been classified as
38 industrial property under the rules of the department of local
39 government finance.

40 However, the total amount of money spent for this purpose in
41 any year may not exceed the total amount of money in the
42 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
42 value to neutralize any effect of the annual adjustment on the property

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1 tax proceeds allocated to the redevelopment district under this section.
 2 However, the adjustments under this subsection may not include the
 3 effect of property tax abatements under IC 6-1.1-12.1, and these
 4 adjustments may not produce less property tax proceeds allocable to
 5 the redevelopment district under subsection (b)(3) than would
 6 otherwise have been received if the reassessment under the county's
 7 reassessment plan or annual adjustment had not occurred. ~~The~~
 8 ~~department of local government finance may prescribe procedures for~~
 9 ~~county and township officials to follow to assist the department in~~
 10 ~~making the adjustments.~~ **The county auditor shall, in the manner**
 11 **prescribed by the department of local government finance, submit**
 12 **the forms required by this subsection to the department of local**
 13 **government finance no later than July 15 of each year. If the**
 14 **county auditor fails to submit the forms by the deadline under this**
 15 **subsection, the county auditor shall allocate five percent (5%) of**
 16 **the assessed value in the allocation area that is used to calculate the**
 17 **allocation and distribution of allocated tax proceeds under this**
 18 **section to the respective taxing units. However, if the commission**
 19 **notifies the county auditor and the department of local government**
 20 **finance, no later than July 15, that it is unable to meet its debt**
 21 **service obligations with regard to the allocation area without all or**
 22 **part of the allocated tax proceeds attributed to the assessed value**
 23 **that has been allocated to the respective taxing units, then the**
 24 **county auditor may not allocate five percent (5%) of the assessed**
 25 **value in the allocation area that is used to calculate the allocation**
 26 **and distribution of allocated tax proceeds under this section to the**
 27 **respective taxing units.**

28 (i) The allocation deadline referred to in subsection (b) is
 29 determined in the following manner:

- 30 (1) The initial allocation deadline is December 31, 2011.
- 31 (2) Subject to subdivision (3), the initial allocation deadline and
- 32 subsequent allocation deadlines are automatically extended in
- 33 increments of five (5) years, so that allocation deadlines
- 34 subsequent to the initial allocation deadline fall on December 31,
- 35 2016, and December 31 of each fifth year thereafter.
- 36 (3) At least one (1) year before the date of an allocation deadline
- 37 determined under subdivision (2), the general assembly may enact
- 38 a law that:
 - 39 (A) terminates the automatic extension of allocation deadlines
 - 40 under subdivision (2); and
 - 41 (B) specifically designates a particular date as the final
 - 42 allocation deadline.

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1 (j) If the commission adopts a declaratory resolution or an
 2 amendment to a declaratory resolution that contains an allocation
 3 provision and the commission makes either of the filings required
 4 under section 10(e) of this chapter after the first anniversary of the
 5 effective date of the allocation provision, the auditor of the county in
 6 which the unit is located shall compute the base assessed value for the
 7 allocation area using the assessment date immediately preceding the
 8 later of:

9 (1) the date on which the documents are filed with the county
 10 auditor; or

11 (2) the date on which the documents are filed with the department
 12 of local government finance.

13 (k) For an allocation area established after June 30, 2024,
 14 "residential property" refers to the assessed value of property that is
 15 allocated to the one percent (1%) homestead land and improvement
 16 categories in the county tax and billing software system, along with the
 17 residential assessed value as defined for purposes of calculating the
 18 rate for the local income tax property tax relief credit designated for
 19 residential property under IC 6-3.6-5-6(d)(3).

20 SECTION ~~55~~ [155], IC 36-7-15.1-53, AS AMENDED BY
 21 P.L.68-2025, SECTION 236, IS AMENDED TO READ AS
 22 FOLLOWS [EFFECTIVE JULY 1, 202~~4~~] [8]: Sec. 53. (a) As used
 23 in this section:

24 "Allocation area" means that part of a redevelopment project area
 25 to which an allocation provision of a resolution adopted under section
 26 40 of this chapter refers for purposes of distribution and allocation of
 27 property taxes.

28 "Base assessed value" means, subject to subsection (j):

29 (1) the net assessed value of all the property as finally determined
 30 for the assessment date immediately preceding the effective date
 31 of the allocation provision of the declaratory resolution, as
 32 adjusted under subsection (h); plus

33 (2) to the extent that it is not included in subdivision (1), the net
 34 assessed value of property that is assessed as residential property
 35 under the rules of the department of local government finance, as
 36 finally determined for the current assessment date.

37 Except as provided in section 55 of this chapter, "property taxes"
 38 means taxes imposed under IC 6-1.1 on real property.

39 (b) A resolution adopted under section 40 of this chapter on or
 40 before the allocation deadline determined under subsection (i) may
 41 include a provision with respect to the allocation and distribution of
 42 property taxes for the purposes and in the manner provided in this

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1 section. A resolution previously adopted may include an allocation
 2 provision by the amendment of that resolution on or before the
 3 allocation deadline determined under subsection (i) in accordance with
 4 the procedures required for its original adoption. A declaratory
 5 resolution or an amendment that establishes an allocation provision
 6 must be approved by resolution of the legislative body of the excluded
 7 city and must specify an expiration date for the allocation provision.
 8 For an allocation area established before July 1, 2008, the expiration
 9 date may not be more than thirty (30) years after the date on which the
 10 allocation provision is established. For an allocation area established
 11 after June 30, 2008, the expiration date may not be more than
 12 twenty-five (25) years after the date on which the first obligation was
 13 incurred to pay principal and interest on bonds or lease rentals on
 14 leases payable from tax increment revenues. However, with respect to
 15 bonds or other obligations that were issued before July 1, 2008, if any
 16 of the bonds or other obligations that were scheduled when issued to
 17 mature before the specified expiration date and that are payable only
 18 from allocated tax proceeds with respect to the allocation area remain
 19 outstanding as of the expiration date, the allocation provision does not
 20 expire until all of the bonds or other obligations are no longer
 21 outstanding. The allocation provision may apply to all or part of the
 22 redevelopment project area. The allocation provision must require that
 23 any property taxes subsequently levied by or for the benefit of any
 24 public body entitled to a distribution of property taxes on taxable
 25 property in the allocation area be allocated and distributed as follows:

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

28 (A) the assessed value of the property for the assessment date
 29 with respect to which the allocation and distribution is made;

30 or

31 (B) the base assessed value;

32 shall be allocated to and, when collected, paid into the funds of
 33 the respective taxing units.

34 (2) The excess of the proceeds of the property taxes imposed for
 35 the assessment date with respect to which the allocation and
 36 distribution is made that are attributable to taxes imposed after
 37 being approved by the voters in a referendum or local public
 38 question conducted after April 30, 2010, not otherwise included
 39 in subdivision (1) shall be allocated to and, when collected, paid
 40 into the funds of the taxing unit for which the referendum or local
 41 public question was conducted.

42 (3) Except as otherwise provided in this section, property tax



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1 proceeds in excess of those described in subdivisions (1) and (2)
 2 shall be allocated to the redevelopment district and, when
 3 collected, paid into a special fund for that allocation area that may
 4 be used by the redevelopment district only to do one (1) or more
 5 of the following:

6 (A) Pay the principal of and interest on any obligations
 7 payable solely from allocated tax proceeds that are incurred by
 8 the redevelopment district for the purpose of financing or
 9 refinancing the redevelopment of that 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 that allocation area.

13 (C) Pay the principal of and interest on bonds payable from
 14 allocated tax proceeds in that allocation area and from the
 15 special tax levied under section 50 of this chapter.

16 (D) Pay the principal of and interest on bonds issued by the
 17 excluded city to pay for local public improvements that are
 18 physically located in or physically connected to that allocation
 19 area.

20 (E) Pay premiums on the redemption before maturity of bonds
 21 payable solely or in part from allocated tax proceeds in that
 22 allocation area.

23 (F) Make payments on leases payable from allocated tax
 24 proceeds in that allocation area under section 46 of this
 25 chapter.

26 (G) Reimburse the excluded city for expenditures for local
 27 public improvements (which include buildings, park facilities,
 28 and other items set forth in section 45 of this chapter) that are
 29 physically located in or physically connected to that allocation
 30 area.

31 (H) Reimburse the unit for rentals paid by it for a building or
 32 parking facility that is physically located in or physically
 33 connected to that allocation area under any lease entered into
 34 under IC 36-1-10.

35 (I) Reimburse public and private entities for expenses incurred
 36 in training employees of industrial facilities that are located:

37 (i) in the allocation area; and

38 (ii) on a parcel of real property that has been classified as
 39 industrial property under the rules of the department of local
 40 government finance.

41 However, the total amount of money spent for this purpose in
 42 any year may not exceed the total amount of money in the



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1 allocation fund that is attributable to property taxes paid by the
 2 industrial facilities described in this clause. The
 3 reimbursements under this clause must be made within three
 4 (3) years after the date on which the investments that are the
 5 basis for the increment financing are made.

6 The special fund may not be used for operating expenses of the
 7 commission.

8 (4) Before June 15 of each year, the commission shall do the
 9 following:

10 (A) Determine the amount, if any, by which the assessed value
 11 of the taxable property in the allocation area for the most
 12 recent assessment date minus the base assessed value, when
 13 multiplied by the estimated tax rate of the allocation area, will
 14 exceed the amount of assessed value needed to provide the
 15 property taxes necessary to make, when due, principal and
 16 interest payments on bonds described in subdivision (3) plus
 17 the amount necessary for other purposes described in
 18 subdivision (3) and subsection (g).

19 (B) Provide a written notice to the county auditor, the fiscal
 20 body of the county or municipality that established the
 21 department of redevelopment, the officers who are authorized
 22 to fix budgets, tax rates, and tax levies under IC 6-1.1-17-5 for
 23 each of the other taxing units that is wholly or partly located
 24 within the allocation area, and (in an electronic format) the
 25 department of local government finance. The notice must:

26 (i) state the amount, if any, of excess assessed value that the
 27 commission has determined may be allocated to the
 28 respective taxing units in the manner prescribed in
 29 subdivision (1); or

30 (ii) state that the commission has determined that there is no
 31 excess assessed value that may be allocated to the respective
 32 taxing units in the manner prescribed in subdivision (1).

33 The county auditor shall allocate to the respective taxing units
 34 the amount, if any, of excess assessed value determined by the
 35 commission. The commission may not authorize an allocation
 36 to the respective taxing units under this subdivision if to do so
 37 would endanger the interests of the holders of bonds described
 38 in subdivision (3). **If a commission fails to provide the
 39 notice under this clause, the county auditor shall allocate
 40 five percent (5%) of the assessed value in the allocation
 41 area that is used to calculate the allocation and distribution
 42 of allocated tax proceeds under this section to the**



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1 **respective taxing units. However, if the commission notifies**
 2 **the county auditor and the department of local government**
 3 **finance, no later than July 15, that it is unable to meet its**
 4 **debt service obligations with regard to the allocation area**
 5 **without all or part of the allocated tax proceeds attributed**
 6 **to the assessed value that has been allocated to the**
 7 **respective taxing units, then the county auditor may not**
 8 **allocate five percent (5%) of the assessed value in the**
 9 **allocation area that is used to calculate the allocation and**
 10 **distribution of allocated tax proceeds under this section to**
 11 **the respective taxing units.**

12 (c) For the purpose of allocating taxes levied by or for any taxing
 13 unit or units, the assessed value of taxable property in a territory in the
 14 allocation area that is annexed by any taxing unit after the effective
 15 date of the allocation provision of the resolution is the lesser of:

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

19 (d) Property tax proceeds allocable to the redevelopment district
 20 under subsection (b)(3) may, subject to subsection (b)(4), be
 21 irrevocably pledged by the redevelopment district for payment as set
 22 forth in subsection (b)(3).

23 (e) Notwithstanding any other law, each assessor shall, upon
 24 petition of the commission, reassess the taxable property situated upon
 25 or in, or added to, the allocation area, effective on the next assessment
 26 date after the petition.

27 (f) Notwithstanding any other law, the assessed value of all taxable
 28 property in the allocation area, for purposes of tax limitation, property
 29 tax replacement, and formulation of the budget, tax rate, and tax levy
 30 for each political subdivision in which the property is located, is the
 31 lesser of:

- 32 (1) the assessed value of the property as valued without regard to
 33 this section; or
 34 (2) the base assessed value.

35 (g) If any part of the allocation area is located in an enterprise zone
 36 created under IC 5-28-15, the unit that designated the allocation area
 37 shall create funds as specified in this subsection. A unit that has
 38 obligations, bonds, or leases payable from allocated tax proceeds under
 39 subsection (b)(3) shall establish an allocation fund for the purposes
 40 specified in subsection (b)(3) and a special zone fund. Such a unit
 41 shall, until the end of the enterprise zone phase out period, deposit each
 42 year in the special zone fund the amount in the allocation fund derived



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1 from property tax proceeds in excess of those described in subsection
 2 (b)(1) and (b)(2) from property located in the enterprise zone that
 3 exceeds the amount sufficient for the purposes specified in subsection
 4 (b)(3) for the year. A unit that has no obligations, bonds, or leases
 5 payable from allocated tax proceeds under subsection (b)(3) shall
 6 establish a special zone fund and deposit all the property tax proceeds
 7 in excess of those described in subsection (b)(1) and (b)(2) in the fund
 8 derived from property tax proceeds in excess of those described in
 9 subsection (b)(1) and (b)(2) from property located in the enterprise
 10 zone. The unit that creates the special zone fund shall use the fund,
 11 based on the recommendations of the urban enterprise association, for
 12 one (1) or more of the following purposes:

13 (1) To pay for programs in job training, job enrichment, and basic
 14 skill development designed to benefit residents and employers in
 15 the enterprise zone. The programs must reserve at least one-half
 16 (1/2) of the enrollment in any session for residents of the
 17 enterprise zone.

18 (2) To make loans and grants for the purpose of stimulating
 19 business activity in the enterprise zone or providing employment
 20 for enterprise zone residents in an enterprise zone. These loans
 21 and grants may be made to the following:

22 (A) Businesses operating in the enterprise zone.

23 (B) Businesses that will move their operations to the enterprise
 24 zone if such a loan or grant is made.

25 (3) To provide funds to carry out other purposes specified in
 26 subsection (b)(3). However, where reference is made in
 27 subsection (b)(3) to the allocation area, the reference refers, for
 28 purposes of payments from the special zone fund, only to that part
 29 of the allocation area that is also located in the enterprise zone.

30 (h) The state board of accounts and department of local government
 31 finance shall make the rules and prescribe the forms and procedures
 32 that they consider expedient for the implementation of this chapter.
 33 After each reassessment of real property in an area under a county's
 34 reassessment plan prepared under IC 6-1.1-4-4.2, the ~~department of~~
 35 ~~local government finance~~ **county auditor** shall, **on forms prescribed**
 36 **by the department of local government finance**, adjust the base
 37 assessed value one (1) time to neutralize any effect of the reassessment
 38 of the real property in the area on the property tax proceeds allocated
 39 to the redevelopment district under this section. After each annual
 40 adjustment under IC 6-1.1-4-4.5, the ~~department of local government~~
 41 ~~finance~~ **county auditor** shall, **on forms prescribed by the**
 42 **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 ~~56~~ [156]. IC 36-7-15.1-62, AS AMENDED BY
22 P.L.257-2019, SECTION 131, IS AMENDED TO READ AS
23 FOLLOWS [EFFECTIVE ~~JULY 1, 2026~~ [UPON PASSAGE]]: Sec.
24 62. (a) Notwithstanding section 26(a) of this chapter, with respect to
25 the allocation and distribution of property taxes for the accomplishment
26 of the purposes of an age-restricted housing program adopted under
27 section 59 of this chapter, "base assessed value" means, subject to
28 section 26(j) of this chapter, the net assessed value of all of the
29 property, other than personal property, as finally determined for the
30 assessment date immediately preceding the effective date of the
31 allocation provision, as 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.
- 42 (3) The preparation of real property in anticipation of

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1 development of the real property within the allocation area.

2 (4) To do any of the following:

3 (A) Pay the principal of and interest on bonds or any other
4 obligations payable from allocated tax proceeds in the
5 allocation area that are incurred by the redevelopment district
6 for the purpose of financing or refinancing the age-restricted
7 housing program established under section 59 of this chapter
8 for the allocation area.

9 (B) Establish, augment, or restore the debt service reserve for
10 bonds payable solely or in part from allocated tax proceeds in
11 the allocation area.

12 (C) Pay the principal of and interest on bonds payable from
13 allocated tax proceeds in the allocation area and from the
14 special tax levied under section 19 of this chapter.

15 (D) Pay the principal of and interest on bonds issued by the
16 unit to pay for local public improvements that are physically
17 located in or physically connected to the allocation area.

18 (E) Pay premiums on the redemption before maturity of bonds
19 payable solely or in part from allocated tax proceeds in the
20 allocation area.

21 (F) Make payments on leases payable from allocated tax
22 proceeds in the allocation area under section 17.1 of this
23 chapter.

24 (G) Reimburse the unit for expenditures made by the unit for
25 local public improvements (which include buildings, parking
26 facilities, and other items described in section 17(a) of this
27 chapter) that are physically located in or physically connected
28 to the allocation area.

29 (c) Notwithstanding section 26(b) of this chapter, the commission
30 shall, relative to the allocation fund established under section 26(b) of
31 this chapter for an allocation area for an age-restricted housing program
32 adopted under section 59 of this chapter, do the following before June
33 15 of each year:

34 (1) Determine the amount, if any, by which the assessed value of
35 the taxable property in the allocation area for the most recent
36 assessment date minus the base assessed value, when multiplied
37 by the estimated tax rate of the allocation area, will exceed the
38 amount of assessed value needed to produce the property taxes
39 necessary to:

40 (A) make the distribution required under section 26(b)(2) of
41 this chapter;

42 (B) make, when due, principal and interest payments on bonds



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- 1 described in section 26(b)(3) of this chapter;
 2 (C) pay the amount necessary for other purposes described in
 3 section 26(b)(3) of this chapter; and
 4 (D) reimburse the county or municipality for anticipated
 5 expenditures described in subsection (b)(2).
 6 (2) Provide a written notice to the county auditor, the fiscal body
 7 of the county or municipality that established the department of
 8 redevelopment, the officers who are authorized to fix budgets, tax
 9 rates, and tax levies under IC 6-1.1-17-5 for each of the other
 10 taxing units that is wholly or partly located within the allocation
 11 area, and (in an electronic format) the department of local
 12 government finance. The notice must:
 13 (A) state the amount, if any, of excess property taxes that the
 14 commission has determined may be paid to the respective
 15 taxing units in the manner prescribed in section 26(b)(1) of
 16 this chapter; or
 17 (B) state that the commission has determined that there is no
 18 excess assessed value that may be allocated to the respective
 19 taxing units in the manner prescribed in subdivision (1).
 20 The county auditor shall allocate to the respective taxing units the
 21 amount, if any, of excess assessed value determined by the
 22 commission. **If a commission fails to provide the notice under
 23 subdivision (2), the county auditor shall allocate five percent (5%)
 24 of the assessed value in the allocation area that is used to calculate
 25 the allocation and distribution of allocated tax proceeds under this
 26 section to the respective taxing units. However, if the commission
 27 notifies the county auditor and the department of local government
 28 finance, no later than July 15, that it is unable to meet its debt
 29 service obligations with regard to the allocation area without all or
 30 part of the allocated tax proceeds attributed to the assessed value
 31 that has been allocated to the respective taxing units, then the
 32 county auditor may not allocate five percent (5%) of the assessed
 33 value in the allocation area that is used to calculate the allocation
 34 and distribution of allocated tax proceeds under this section to the
 35 respective taxing units.**
 36 SECTION ~~<57>~~[157]. IC 36-7-30-25, AS AMENDED BY
 37 P.L.174-2022, SECTION 74, IS AMENDED TO READ AS
 38 FOLLOWS [EFFECTIVE ~~<JULY 1, 2026>~~[UPON PASSAGE]]: Sec.
 39 25. (a) The following definitions apply throughout this section:
 40 (1) "Allocation area" means that part of a military base reuse area
 41 to which an allocation provision of a declaratory resolution
 42 adopted under section 10 of this chapter refers for purposes of

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1 distribution and allocation of property taxes.

2 (2) "Base assessed value" means, subject to subsection (i):

3 (A) the net assessed value of all the property as finally
4 determined for the assessment date immediately preceding the
5 adoption date of the allocation provision of the declaratory
6 resolution, as adjusted under subsection (h); plus

7 (B) to the extent that it is not included in clause (A) or (C), the
8 net assessed value of any and all parcels or classes of parcels
9 identified as part of the base assessed value in the declaratory
10 resolution or an amendment thereto, as finally determined for
11 any subsequent assessment date; plus

12 (C) to the extent that it is not included in clause (A) or (B), the
13 net 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 Clause (C) applies only to allocation areas established in a
18 military reuse area after June 30, 1997, and to the part of an
19 allocation area that was established before June 30, 1997, and that
20 is added to an existing allocation area after June 30, 1997.

21 (3) "Property taxes" means taxes imposed under IC 6-1.1 on real
22 property.

23 (b) A declaratory resolution adopted under section 10 of this chapter
24 before the date set forth in IC 36-7-14-39(b) pertaining to declaratory
25 resolutions adopted under IC 36-7-14-15 may include a provision with
26 respect to the allocation and distribution of property taxes for the
27 purposes and in the manner provided in this section. A declaratory
28 resolution previously adopted may include an allocation provision by
29 the amendment of that declaratory resolution in accordance with the
30 procedures set forth in section 13 of this chapter. The allocation
31 provision may apply to all or part of the military base reuse area. The
32 allocation provision must require that any property taxes subsequently
33 levied by or for the benefit of any public body entitled to a distribution
34 of property taxes on taxable property in the allocation area be allocated
35 and distributed as follows:

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

38 (A) the assessed value of the property for the assessment date
39 with respect to which the allocation and distribution is made;

40 or

41 (B) the base assessed value;

42 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:
 42 (i) in the allocation area; and

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(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.

(G) Expend money and provide financial assistance as authorized in section 9(a)(25) of this chapter.

Except as provided in clause (E), the allocation fund may not be used for operating expenses of the reuse authority.

(4) Except as provided in subsection (g), before July 15 of each year the reuse 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 subdivision (3).

(B) Provide a written notice to the county auditor, the fiscal body of the unit that established the reuse authority, and 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. The notice must:

- (i) state the amount, if any, of excess property taxes that the reuse authority has determined may be paid to the respective taxing units in the manner prescribed in subdivision (1); or
- (ii) state that the reuse authority has determined that there are no excess property tax proceeds 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 property tax proceeds determined by the reuse authority. The reuse authority may not authorize a payment to the respective taxing units under this subdivision if to do so would endanger the interest of the holders of bonds described in subdivision (3) or lessors under section 19 of this chapter.

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1 (c) For the purpose of allocating taxes levied by or for any taxing
 2 unit or units, the assessed value of taxable property in a territory in the
 3 allocation area that is annexed by a taxing unit after the effective date
 4 of the allocation provision of the declaratory resolution is the lesser of:

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

8 (d) Property tax proceeds allocable to the military base reuse district
 9 under subsection (b)(3) may, subject to subsection (b)(4), be
 10 irrevocably pledged by the military base reuse district for payment as
 11 set forth in subsection (b)(3).

12 (e) Notwithstanding any other law, each assessor shall, upon
 13 petition of the reuse authority, reassess the taxable property situated
 14 upon or in or added to the allocation area, effective on the next
 15 assessment date after the petition.

16 (f) Notwithstanding any other law, the assessed value of all taxable
 17 property in the allocation area, for purposes of tax limitation, property
 18 tax replacement, and the making of the budget, tax rate, and tax levy
 19 for each political subdivision in which the property is located is the
 20 lesser of:

- 21 (1) the assessed value of the property as valued without regard to
 22 this section; or
 23 (2) the base assessed value.

24 (g) If any part of the allocation area is located in an enterprise zone
 25 created under IC 5-28-15, the unit that designated the allocation area
 26 shall create funds as specified in this subsection. A unit that has
 27 obligations, bonds, or leases payable from allocated tax proceeds under
 28 subsection (b)(3) shall establish an allocation fund for the purposes
 29 specified in subsection (b)(3) and a special zone fund. Such a unit
 30 shall, until the end of the enterprise zone phase out period, deposit each
 31 year in the special zone fund any amount in the allocation fund derived
 32 from property tax proceeds in excess of those described in subsection
 33 (b)(1) and (b)(2) from property located in the enterprise zone that
 34 exceeds the amount sufficient for the purposes specified in subsection
 35 (b)(3) for the year. The amount sufficient for purposes specified in
 36 subsection (b)(3) for the year shall be determined based on the pro rata
 37 part of such current property tax proceeds from the part of the
 38 enterprise zone that is within the allocation area as compared to all
 39 such current property tax proceeds derived from the allocation area. A
 40 unit that does not have obligations, bonds, or leases payable from
 41 allocated tax proceeds under subsection (b)(3) shall establish a special
 42 zone fund and deposit all the property tax proceeds in excess of those



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1 described in subsection (b)(1) and (b)(2) that are derived from property
 2 in the enterprise zone in the fund. The unit that creates the special zone
 3 fund shall use the fund (based on the recommendations of the urban
 4 enterprise association) for programs in job training, job enrichment,
 5 and basic skill development that are designed to benefit residents and
 6 employers in the enterprise zone or other purposes specified in
 7 subsection (b)(3), except that where reference is made in subsection
 8 (b)(3) to allocation area it shall refer for purposes of payments from the
 9 special zone fund only to that part of the allocation area that is also
 10 located in the enterprise zone. The programs shall reserve at least
 11 one-half (1/2) of their enrollment in any session for residents of the
 12 enterprise zone.

13 (h) After each reassessment of real property in an area under the
 14 county's reassessment plan under IC 6-1.1-4-4.2, the ~~department of~~
 15 ~~local government finance~~ **county auditor** shall, **on forms prescribed**
 16 **by the department of local government finance**, adjust the base
 17 assessed value one (1) time to neutralize any effect of the reassessment
 18 of the real property in the area on the property tax proceeds allocated
 19 to the military base reuse district under this section. After each annual
 20 adjustment under IC 6-1.1-4-4.5, the ~~department of local government~~
 21 ~~finance~~ **county auditor** shall, **on forms prescribed by the**
 22 **department of local government finance**, adjust the base assessed
 23 value to neutralize any effect of the annual adjustment on the property
 24 tax proceeds allocated to the military base reuse district under this
 25 section. However, the adjustments under this subsection may not
 26 include the effect of property tax abatements under IC 6-1.1-12.1, and
 27 these adjustments may not produce less property tax proceeds allocable
 28 to the military base reuse district under subsection (b)(3) than would
 29 otherwise have been received if the reassessment under the county's
 30 reassessment plan or annual adjustment had not occurred. ~~The~~
 31 ~~department of local government finance~~ may prescribe procedures for
 32 county and township officials to follow to assist the department in
 33 making the adjustments. **The county auditor shall, in the manner**
 34 **prescribed by the department of local government finance, submit**
 35 **the forms required by this subsection to the department of local**
 36 **government finance no later than July 15 of each year. If the**
 37 **county auditor fails to submit the forms by the deadline under this**
 38 **subsection, the county auditor shall allocate five percent (5%) of**
 39 **the assessed value in the allocation area that is used to calculate the**
 40 **allocation and distribution of allocated tax proceeds under this**
 41 **section to the respective taxing units. However, if the reuse**
 42 **authority notifies the county auditor and the department of local**

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1 **government finance, no later than July 15, that it is unable to meet**
2 **its debt service obligations with regard to the allocation area**
3 **without all or part of the allocated tax proceeds attributed to the**
4 **assessed value that has been allocated to the respective taxing**
5 **units, then the county auditor may not allocate five percent (5%)**
6 **of the assessed value in the allocation area that is used to calculate**
7 **the allocation and distribution of allocated tax proceeds under this**
8 **section to the respective taxing units.**

9 (i) If the reuse authority adopts a declaratory resolution or an
10 amendment to a declaratory resolution that contains an allocation
11 provision and the reuse authority makes either of the filings required
12 under section 12(c) or 13(f) of this chapter after the first anniversary of
13 the effective date of the allocation provision, the auditor of the county
14 in which the military base reuse district is located shall compute the
15 base 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 (j) For an allocation area established after June 30, 2024,
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, along with the
25 residential assessed value as defined for purposes of calculating the
26 rate for the local income tax property tax relief credit designated for
27 residential property under IC 6-3.6-5-6(d)(3).

28 SECTION ~~58~~[158]. IC 36-7-30-25, AS AMENDED BY
29 P.L.68-2025, SECTION 237, IS AMENDED TO READ AS
30 FOLLOWS [EFFECTIVE JULY 1, 202~~7~~[8]: Sec. 25. (a) The
31 following definitions apply throughout this section:

- 32 (1) "Allocation area" means that part of a military base reuse area
33 to which an allocation provision of a declaratory resolution
34 adopted under section 10 of this chapter refers for purposes of
35 distribution and allocation of property taxes.
- 36 (2) "Base assessed value" means, subject to subsection (i):
 - 37 (A) the net assessed value of all the property as finally
38 determined for the assessment date immediately preceding the
39 adoption date of the allocation provision of the declaratory
40 resolution, as adjusted under subsection (h); plus
 - 41 (B) to the extent that it is not included in clause (A) or (C), the
42 net assessed value of any and all parcels or classes of parcels

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1 identified as part of the base assessed value in the declaratory
 2 resolution or an amendment thereto, as finally determined for
 3 any subsequent assessment date; plus
 4 (C) to the extent that it is not included in clause (A) or (B), the
 5 net assessed value of property that is assessed as residential
 6 property under the rules of the department of local government
 7 finance, within the allocation area, as finally determined for
 8 the current assessment date.

9 Clause (C) applies only to allocation areas established in a
 10 military reuse area after June 30, 1997, and to the part of an
 11 allocation area that was established before June 30, 1997, and that
 12 is added to an existing allocation area after June 30, 1997.

13 (3) "Property taxes" means taxes imposed under IC 6-1.1 on real
 14 property.

15 (b) A declaratory resolution adopted under section 10 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 13 of this chapter. The allocation
 23 provision may apply to all or part of the military base reuse area. The
 24 allocation provision must require that any property taxes subsequently
 25 levied by or for the benefit of any public body entitled to a distribution
 26 of property taxes on taxable property in the allocation area be allocated
 27 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 are 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
 42 into the funds of the taxing unit for which the referendum or local



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public question was conducted.

(3) Except as otherwise provided in this section, property tax proceeds in excess of those described in subdivisions (1) and (2) shall be allocated to the military base reuse district and, when collected, paid into an allocation fund for that allocation area that may be used by the military base reuse district and only to do one (1) or more of the following:

- (A) Pay the principal of and interest and redemption premium on any obligations incurred by the military base reuse district or any other entity for the purpose of financing or refinancing military base reuse activities in or directly serving or benefiting that allocation area.
- (B) Establish, augment, or restore the debt service reserve for bonds payable solely or in part from allocated tax proceeds in that allocation area or from other revenues of the reuse authority, including lease rental revenues.
- (C) Make payments on leases payable solely or in part from allocated tax proceeds in that allocation area.
- (D) Reimburse any other governmental body for expenditures made for local public improvements (or structures) in or directly serving or benefiting that allocation area.
- (E) Pay expenses incurred by the reuse authority, any other department of the unit, or a department of another governmental entity for local public improvements or structures that are in the allocation area or directly serving or benefiting the allocation area, including expenses for the operation and maintenance of these local public improvements or structures if the reuse authority determines those operation and maintenance expenses are necessary or desirable to carry out the purposes of this chapter.
- (F) 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

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1 three (3) years after the date on which the investments that are
 2 the basis for the increment financing are made.
 3 (G) Expend money and provide financial assistance as
 4 authorized in section 9(a)(25) of this chapter.
 5 Except as provided in clause (E), the allocation fund may not be
 6 used for operating expenses of the reuse authority.
 7 (4) Except as provided in subsection (g), before July 15 of each
 8 year the reuse authority shall do the following:
 9 (A) Determine the amount, if any, by which property taxes
 10 payable to the allocation fund in the following year will exceed
 11 the amount of property taxes necessary to make, when due,
 12 principal and interest payments on bonds described in
 13 subdivision (3) plus the amount necessary for other purposes
 14 described in subdivision (3).
 15 (B) Provide a written notice to the county auditor, the fiscal
 16 body of the unit that established the reuse authority, and the
 17 officers who are authorized to fix budgets, tax rates, and tax
 18 levies under IC 6-1.1-17-5 for each of the other taxing units
 19 that is wholly or partly located within the allocation area. The
 20 notice must:
 21 (i) state the amount, if any, of excess property taxes that the
 22 reuse authority has determined may be paid to the respective
 23 taxing units in the manner prescribed in subdivision (1); or
 24 (ii) state that the reuse authority has determined that there
 25 are no excess property tax proceeds that may be allocated to
 26 the respective taxing units in the manner prescribed in
 27 subdivision (1).
 28 The county auditor shall allocate to the respective taxing units
 29 the amount, if any, of excess property tax proceeds determined
 30 by the reuse authority. The reuse authority may not authorize
 31 a payment to the respective taxing units under this subdivision
 32 if to do so would endanger the interest of the holders of bonds
 33 described in subdivision (3) or lessors under section 19 of this
 34 chapter.
 35 (c) For the purpose of allocating taxes levied by or for any taxing
 36 unit or units, the assessed value of taxable property in a territory in the
 37 allocation area that is annexed by a taxing unit after the effective date
 38 of the allocation provision of the declaratory resolution is the lesser of:
 39 (1) the assessed value of the property for the assessment date with
 40 respect to which the allocation and distribution is made; or
 41 (2) the base assessed value.
 42 (d) Property tax proceeds allocable to the military base reuse district

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1 under subsection (b)(3) may, subject to subsection (b)(4), be
 2 irrevocably pledged by the military base reuse district for payment as
 3 set forth in subsection (b)(3).
 4 (e) Notwithstanding any other law, each assessor shall, upon
 5 petition of the reuse authority, reassess the taxable property situated
 6 upon or in or added to the allocation area, effective on the next
 7 assessment date after the petition.
 8 (f) Notwithstanding any other law, the assessed value of all taxable
 9 property in the allocation area, for purposes of tax limitation, property
 10 tax replacement, and the making of the budget, tax rate, and tax levy
 11 for each political subdivision in which the property is located is the
 12 lesser of:
 13 (1) the assessed value of the property as valued without regard to
 14 this section; or
 15 (2) the base assessed value.
 16 (g) If any part of the allocation area is located in an enterprise zone
 17 created under IC 5-28-15, the unit that designated the allocation area
 18 shall create funds as specified in this subsection. A unit that has
 19 obligations, bonds, or leases payable from allocated tax proceeds under
 20 subsection (b)(3) shall establish an allocation fund for the purposes
 21 specified in subsection (b)(3) and a special zone fund. Such a unit
 22 shall, until the end of the enterprise zone phase out period, deposit each
 23 year in the special zone fund any amount in the allocation fund derived
 24 from property tax proceeds in excess of those described in subsection
 25 (b)(1) and (b)(2) from property located in the enterprise zone that
 26 exceeds the amount sufficient for the purposes specified in subsection
 27 (b)(3) for the year. The amount sufficient for purposes specified in
 28 subsection (b)(3) for the year shall be determined based on the pro rata
 29 part of such current property tax proceeds from the part of the
 30 enterprise zone that is within the allocation area as compared to all
 31 such current property tax proceeds derived from the allocation area. A
 32 unit that does not have obligations, bonds, or leases payable from
 33 allocated tax proceeds under subsection (b)(3) shall establish a special
 34 zone fund and deposit all the property tax proceeds in excess of those
 35 described in subsection (b)(1) and (b)(2) that are derived from property
 36 in the enterprise zone in the fund. The unit that creates the special zone
 37 fund shall use the fund (based on the recommendations of the urban
 38 enterprise association) for programs in job training, job enrichment,
 39 and basic skill development that are designed to benefit residents and
 40 employers in the enterprise zone or other purposes specified in
 41 subsection (b)(3), except that where reference is made in subsection
 42 (b)(3) to allocation area it shall refer for purposes of payments from the

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1 special zone fund only to that part of the allocation area that is also
 2 located in the enterprise zone. The programs shall reserve at least
 3 one-half (1/2) of their enrollment in any session for residents of the
 4 enterprise zone.

5 (h) After each reassessment of real property in an area under the
 6 county's reassessment plan under IC 6-1.1-4-4.2, the ~~department of~~
 7 ~~local government finance~~ **county auditor** shall, **on forms prescribed**
 8 **by the department of local government finance**, adjust the base
 9 assessed value one (1) time to neutralize any effect of the reassessment
 10 of the real property in the area on the property tax proceeds allocated
 11 to the military base reuse district under this section. After each annual
 12 adjustment under IC 6-1.1-4-4.5, the ~~department of local government~~
 13 ~~finance~~ **county auditor** shall, **on forms prescribed by the**
 14 **department of local government finance**, adjust the base assessed
 15 value to neutralize any effect of the annual adjustment on the property
 16 tax proceeds allocated to the military base reuse district under this
 17 section. However, the adjustments under this subsection may not
 18 include the effect of property tax abatements under IC 6-1.1-12.1, and
 19 these adjustments may not produce less property tax proceeds allocable
 20 to the military base reuse district under subsection (b)(3) than would
 21 otherwise have been received if the reassessment under the county's
 22 reassessment plan or annual adjustment had not occurred. ~~The~~
 23 ~~department of local government finance~~ may prescribe procedures for
 24 county and township officials to follow to assist the department in
 25 making the adjustments. **The county auditor shall, in the manner**
 26 **prescribed by the department of local government finance, submit**
 27 **the forms required by this subsection to the department of local**
 28 **government finance no later than July 15 of each year. If the**
 29 **county auditor fails to submit the forms by the deadline under this**
 30 **subsection, the county auditor shall allocate five percent (5%) of**
 31 **the assessed value in the allocation area that is used to calculate the**
 32 **allocation and distribution of allocated tax proceeds under this**
 33 **section to the respective taxing units. However, if the reuse**
 34 **authority notifies the county auditor and the department of local**
 35 **government finance, no later than July 15, that it is unable to meet**
 36 **its debt service obligations with regard to the allocation area**
 37 **without all or part of the allocated tax proceeds attributed to the**
 38 **assessed value that has been allocated to the respective taxing**
 39 **units, then the county auditor may not allocate five percent (5%)**
 40 **of the assessed value in the allocation area that is used to calculate**
 41 **the allocation and distribution of allocated tax proceeds under this**
 42 **section to the respective taxing units.**

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1 (i) If the reuse authority adopts a declaratory resolution or an
 2 amendment to a declaratory resolution that contains an allocation
 3 provision and the reuse authority makes either of the filings required
 4 under section 12(c) or 13(f) of this chapter after the first anniversary of
 5 the effective date of the allocation provision, the auditor of the county
 6 in which the military base reuse district is located shall compute the
 7 base assessed value for the allocation area using the assessment date
 8 immediately preceding the later of:

9 (1) the date on which the documents are filed with the county
 10 auditor; or

11 (2) the date on which the documents are filed with the department
 12 of local government finance.

13 (j) For an allocation area established after June 30, 2024,
 14 "residential property" refers to the assessed value of property that is
 15 allocated to the one percent (1%) homestead land and improvement
 16 categories in the county tax and billing software system, along with the
 17 residential assessed value as defined for purposes of calculating the
 18 rate for the local income tax property tax relief credit designated for
 19 residential property under IC 6-3.6-5-6(d)(3) (before its expiration).

20 SECTION ~~<59>~~ [159], IC 36-7-30.5-30, AS AMENDED BY
 21 P.L.174-2022, SECTION 75, IS AMENDED TO READ AS
 22 FOLLOWS [EFFECTIVE ~~<JULY 1, 2026>~~ [UPON PASSAGE]]: Sec.

23 30. (a) The following definitions apply throughout this section:

24 (1) "Allocation area" means that part of a military base
 25 development area to which an allocation provision of a
 26 declaratory resolution adopted under section 16 of this chapter
 27 refers for purposes of distribution and allocation of property taxes.

28 (2) "Base assessed value" means, subject to subsection (i):

29 (A) the net assessed value of all the property as finally
 30 determined for the assessment date immediately preceding the
 31 adoption 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) or (C), the
 34 net assessed value of any and all parcels or classes of parcels
 35 identified as part of the base assessed value in the declaratory
 36 resolution or an amendment to the declaratory resolution, as
 37 finally determined for any subsequent assessment date; plus

38 (C) to the extent that it is not included in clause (A) or (B), the
 39 net assessed value of property that is assessed as residential
 40 property under the rules of the department of local government
 41 finance, within the allocation area, as finally determined for
 42 the current assessment date.

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- 1 (3) "Property taxes" means taxes imposed under IC 6-1.1 on real
 2 property.
 3 (b) A declaratory resolution adopted under section 16 of this chapter
 4 before the date set forth in IC 36-7-14-39(b) pertaining to declaratory
 5 resolutions adopted under IC 36-7-14-15 may include a provision with
 6 respect to the allocation and distribution of property taxes for the
 7 purposes and in the manner provided in this section. A declaratory
 8 resolution previously adopted may include an allocation provision by
 9 the amendment of that declaratory resolution in accordance with the
 10 procedures set forth in section 18 of this chapter. The allocation
 11 provision may apply to all or part of the military base development
 12 area. The allocation provision must require that any property taxes
 13 subsequently levied by or for the benefit of any public body entitled to
 14 a distribution of property taxes on taxable property in the allocation
 15 area be allocated and distributed as follows:
 16 (1) Except as otherwise provided in this section, the proceeds of
 17 the taxes attributable to the lesser of:
 18 (A) the assessed value of the property for the assessment date
 19 with respect to which the allocation and distribution is made;
 20 or
 21 (B) the base assessed value;
 22 shall be allocated to and, when collected, paid into the funds of
 23 the respective taxing units.
 24 (2) The excess of the proceeds of the property taxes imposed for
 25 the assessment date with respect to which the allocation and
 26 distribution is made that are attributable to taxes imposed after
 27 being approved by the voters in a referendum or local public
 28 question conducted after April 30, 2010, not otherwise included
 29 in subdivision (1) shall be allocated to and, when collected, paid
 30 into the funds of the taxing unit for which the referendum or local
 31 public question was conducted.
 32 (3) Except as otherwise provided in this section, property tax
 33 proceeds in excess of those described in subdivisions (1) and (2)
 34 shall be allocated to the development authority and, when
 35 collected, paid into an allocation fund for that allocation area that
 36 may be used by the development authority and only to do one (1)
 37 or more of the following:
 38 (A) Pay the principal of and interest and redemption premium
 39 on any obligations incurred by the development authority or
 40 any other entity for the purpose of financing or refinancing
 41 military base development or reuse activities in or directly
 42 serving or benefiting that allocation area.

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1 (B) Establish, augment, or restore the debt service reserve for
 2 bonds payable solely or in part from allocated tax proceeds in
 3 that allocation area or from other revenues of the development
 4 authority, including lease rental revenues.
 5 (C) Make payments on leases payable solely or in part from
 6 allocated tax proceeds in that allocation area.
 7 (D) Reimburse any other governmental body for expenditures
 8 made for local public improvements (or structures) in or
 9 directly serving or benefiting that allocation area.
 10 (E) For property taxes first due and payable before 2009, pay
 11 all or a part of a property tax replacement credit to taxpayers
 12 in an allocation area as determined by the development
 13 authority. This credit equals the amount determined under the
 14 following STEPS for each taxpayer in a taxing district (as
 15 defined in IC 6-1.1-1-20) that contains all or part of the
 16 allocation area:
 17 STEP ONE: Determine that part of the sum of the amounts
 18 under IC 6-1.1-21-2(g)(1)(A), IC 6-1.1-21-2(g)(2),
 19 IC 6-1.1-21-2(g)(3), IC 6-1.1-21-2(g)(4), and
 20 IC 6-1.1-21-2(g)(5) (before their repeal) that is attributable to
 21 the taxing district.
 22 STEP TWO: Divide:
 23 (i) that part of each county's eligible property tax
 24 replacement amount (as defined in IC 6-1.1-21-2 (before its
 25 repeal)) for that year as determined under IC 6-1.1-21-4
 26 (before its repeal) that is attributable to the taxing district;
 27 by
 28 (ii) the STEP ONE sum.
 29 STEP THREE: Multiply:
 30 (i) the STEP TWO quotient; by
 31 (ii) the total amount of the taxpayer's taxes (as defined in
 32 IC 6-1.1-21-2 (before its repeal)) levied in the taxing district
 33 that have been allocated during that year to an allocation
 34 fund under this section.
 35 If not all the taxpayers in an allocation area receive the credit
 36 in full, each taxpayer in the allocation area is entitled to
 37 receive the same proportion of the credit. A taxpayer may not
 38 receive a credit under this section and a credit under section
 39 32 of this chapter (before its repeal) in the same year.
 40 (F) Pay expenses incurred by the development authority for
 41 local public improvements or structures that were in the
 42 allocation area or directly serving or benefiting the allocation

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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).

(B) Provide a written notice to the appropriate county auditors and the fiscal bodies and other 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. The notice must:

- (i) state the amount, if any, of the excess property taxes that the development authority has determined may be paid to the respective taxing units in the manner prescribed in subdivision (1); or
- (ii) state that the development authority 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 auditors shall allocate to the respective taxing units the amount, if any, of excess assessed value determined by the

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1 development authority. The development authority may not
2 authorize a payment to the respective taxing units under this
3 subdivision if to do so would endanger the interest of the
4 holders of bonds described in subdivision (3) or lessors under
5 section 24 of this chapter. Property taxes received by a taxing
6 unit under this subdivision before 2009 are eligible for the
7 property tax replacement credit provided under IC 6-1.1-21
8 (before its repeal).

9 (c) For the purpose of allocating taxes levied by or for any taxing
10 unit or units, the assessed value of taxable property in a territory in the
11 allocation area that is annexed by a taxing unit after the effective date
12 of the allocation provision of the declaratory resolution is the lesser of:

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

16 (d) Property tax proceeds allocable to the military base development
17 district under subsection (b)(3) may, subject to subsection (b)(4), be
18 irrevocably pledged by the military base development district for
19 payment as set forth in subsection (b)(3).

20 (e) Notwithstanding any other law, each assessor shall, upon
21 petition of the development authority, reassess the taxable property
22 situated upon or in or added to the allocation area, effective on the next
23 assessment date after the petition.

24 (f) Notwithstanding any other law, the assessed value of all taxable
25 property in the allocation area, for purposes of tax limitation, property
26 tax replacement, and the making of the budget, tax rate, and tax levy
27 for each political subdivision in which the property is located is the
28 lesser of:

- 29 (1) the assessed value of the property as valued without regard to
30 this section; or
- 31 (2) the base assessed value.

32 (g) If any part of the allocation area is located in an enterprise zone
33 created under IC 5-28-15, the development authority shall create funds
34 as specified in this subsection. A development authority that has
35 obligations, bonds, or leases payable from allocated tax proceeds under
36 subsection (b)(3) shall establish an allocation fund for the purposes
37 specified in subsection (b)(3) and a special zone fund. The
38 development authority shall, until the end of the enterprise zone phase
39 out period, deposit each year in the special zone fund any amount in the
40 allocation fund derived from property tax proceeds in excess of those
41 described in subsection (b)(1) and (b)(2) from property located in the
42 enterprise zone that exceeds the amount sufficient for the purposes

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1 specified in subsection (b)(3) for the year. The amount sufficient for
 2 purposes specified in subsection (b)(3) for the year shall be determined
 3 based on the pro rata part of such current property tax proceeds from
 4 the part of the enterprise zone that is within the allocation area as
 5 compared to all such current property tax proceeds derived from the
 6 allocation area. A development authority that does not have
 7 obligations, bonds, or leases payable from allocated tax proceeds under
 8 subsection (b)(3) shall establish a special zone fund and deposit all the
 9 property tax proceeds in excess of those described in subsection (b)(1)
 10 and (b)(2) that are derived from property in the enterprise zone in the
 11 fund. The development authority that creates the special zone fund
 12 shall use the fund (based on the recommendations of the urban
 13 enterprise association) for programs in job training, job enrichment,
 14 and basic skill development that are designed to benefit residents and
 15 employers in the enterprise zone or for other purposes specified in
 16 subsection (b)(3), except that where reference is made in subsection
 17 (b)(3) to an allocation area it shall refer for purposes of payments from
 18 the special zone fund only to that part of the allocation area that is also
 19 located in the enterprise zone. The programs shall reserve at least
 20 one-half (1/2) of their enrollment in any session for residents of the
 21 enterprise zone.

22 (h) After each reassessment of real property in an area under a
 23 reassessment plan prepared under IC 6-1.1-4-4.2, the ~~department of~~
 24 ~~local government finance~~ **county auditor** shall, **on forms prescribed**
 25 **by the department of local government finance**, adjust the base
 26 assessed value one (1) time to neutralize any effect of the reassessment
 27 of the real property in the area on the property tax proceeds allocated
 28 to the military base development district under this section. After each
 29 annual adjustment under IC 6-1.1-4-4.5, the ~~department of local~~
 30 ~~government finance~~ **county auditor** shall, **on forms prescribed by the**
 31 **department of local government finance**, adjust the base assessed
 32 value to neutralize any effect of the annual adjustment on the property
 33 tax proceeds allocated to the military base development district under
 34 this section. However, the adjustments under this subsection may not
 35 include the effect of property tax abatements under IC 6-1.1-12.1, and
 36 these adjustments may not produce less property tax proceeds allocable
 37 to the military base development district under subsection (b)(3) than
 38 would otherwise have been received if the reassessment under the
 39 county's reassessment plan or annual adjustment had not occurred. ~~The~~
 40 ~~department of local government finance~~ may prescribe procedures for
 41 county and township officials to follow to assist the department in
 42 making the adjustments. **The county auditor shall, in the manner**

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1 prescribed by the department of local government finance, submit
 2 the forms required by this subsection to the department of local
 3 government finance no later than July 15 of each year. If the
 4 county auditor fails to submit the forms by the deadline under this
 5 subsection, the county auditor shall allocate five percent (5%) of
 6 the assessed value in the allocation area that is used to calculate the
 7 allocation and distribution of allocated tax proceeds under this
 8 section to the respective taxing units. However, if the development
 9 authority notifies the county auditor and the department of local
 10 government finance, no later than July 15, that it is unable to meet
 11 its debt service obligations with regard to the allocation area
 12 without all or part of the allocated tax proceeds attributed to the
 13 assessed value that has been allocated to the respective taxing
 14 units, then the county auditor may not allocate five percent (5%)
 15 of the assessed value in the allocation area that is used to calculate
 16 the allocation and distribution of allocated tax proceeds under this
 17 section to the respective taxing units.

18 (i) If the development authority adopts a declaratory resolution or
 19 an amendment to a declaratory resolution that contains an allocation
 20 provision and the development authority makes either of the filings
 21 required under section 17(e) or 18(f) of this chapter after the first
 22 anniversary of the effective date of the allocation provision, the auditor
 23 of the county in which the military base development district is located
 24 shall compute the base assessed value for the allocation area using the
 25 assessment date immediately preceding the later of:

- 26 (1) the date on which the documents are filed with the county
 27 auditor; or
- 28 (2) the date on which the documents are filed with the department
 29 of local government finance.

30 (j) For an allocation area established after June 30, 2024,
 31 "residential property" refers to the assessed value of property that is
 32 allocated to the one percent (1%) homestead land and improvement
 33 categories in the county tax and billing software system, along with the
 34 residential assessed value as defined for purposes of calculating the
 35 rate for the local income tax property tax relief credit designated for
 36 residential property under IC 6-3.6-5-6(d)(3).

37 SECTION ~~60~~ [160]. IC 36-7-30.5-30, AS AMENDED BY
 38 P.L.68-2025, SECTION 238, IS AMENDED TO READ AS
 39 FOLLOWS [EFFECTIVE ~~JULY 1, 2027~~ [UPON PASSAGE]]: Sec.

40 30. (a) The following definitions apply throughout this section:

- 41 (1) "Allocation area" means that part of a military base
 42 development area to which an allocation provision of a



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1 declaratory resolution adopted under section 16 of this chapter
 2 refers for purposes of distribution and allocation of property taxes.
 3 (2) "Base assessed value" means, subject to subsection (i):
 4 (A) the net assessed value of all the property as finally
 5 determined for the assessment date immediately preceding the
 6 adoption date of the allocation provision of the declaratory
 7 resolution, as adjusted under subsection (h); plus
 8 (B) to the extent that it is not included in clause (A) or (C), the
 9 net assessed value of any and all parcels or classes of parcels
 10 identified as part of the base assessed value in the declaratory
 11 resolution or an amendment to the declaratory resolution, as
 12 finally determined for any subsequent assessment date; plus
 13 (C) to the extent that it is not included in clause (A) or (B), the
 14 net assessed value of property that is assessed as residential
 15 property under the rules of the department of local government
 16 finance, within the allocation area, as finally determined for
 17 the current assessment date.
 18 (3) "Property taxes" means taxes imposed under IC 6-1.1 on real
 19 property.
 20 (b) A declaratory resolution adopted under section 16 of this chapter
 21 before the date set forth in IC 36-7-14-39(b) pertaining to declaratory
 22 resolutions adopted under IC 36-7-14-15 may include a provision with
 23 respect to the allocation and distribution of property taxes for the
 24 purposes and in the manner provided in this section. A declaratory
 25 resolution previously adopted may include an allocation provision by
 26 the amendment of that declaratory resolution in accordance with the
 27 procedures set forth in section 18 of this chapter. The allocation
 28 provision may apply to all or part of the military base development
 29 area. The allocation provision must require that any property taxes
 30 subsequently levied by or for the benefit of any public body entitled to
 31 a distribution of property taxes on taxable property in the allocation
 32 area be allocated 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
 42 the assessment date with respect to which the allocation and

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1 distribution is made that are attributable to taxes imposed after
 2 being approved by the voters in a referendum or local public
 3 question conducted after April 30, 2010, not otherwise included
 4 in subdivision (1) shall be allocated to and, when collected, paid
 5 into the funds of the taxing unit for which the referendum or local
 6 public question was conducted.

7 (3) Except as otherwise provided in this section, property tax
 8 proceeds in excess of those described in subdivisions (1) and (2)
 9 shall be allocated to the development authority and, when
 10 collected, paid into an allocation fund for that allocation area that
 11 may be used by the development authority and only to do one (1)
 12 or more of the following:

13 (A) Pay the principal of and interest and redemption premium
 14 on any obligations incurred by the development authority or
 15 any other entity for the purpose of financing or refinancing
 16 military base development or reuse activities in or directly
 17 serving or benefiting 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 or from other revenues of the development
 21 authority, including lease rental revenues.

22 (C) Make payments on leases payable solely or in part from
 23 allocated tax proceeds in that allocation area.

24 (D) Reimburse any other governmental body for expenditures
 25 made for local public improvements (or structures) in or
 26 directly serving or benefiting that allocation area.

27 (E) For property taxes first due and payable before 2009, pay
 28 all or a part of a property tax replacement credit to taxpayers
 29 in an allocation area as determined by the development
 30 authority. This credit equals the amount determined under the
 31 following STEPS for each taxpayer in a taxing district (as
 32 defined in IC 6-1.1-1-20) that contains all or part of the
 33 allocation area:

34 STEP ONE: Determine that part of the sum of the amounts
 35 under IC 6-1.1-21-2(g)(1)(A), IC 6-1.1-21-2(g)(2),
 36 IC 6-1.1-21-2(g)(3), IC 6-1.1-21-2(g)(4), and
 37 IC 6-1.1-21-2(g)(5) (before their repeal) that is attributable to
 38 the taxing district.

39 STEP TWO: Divide:

40 (i) that part of each county's eligible property tax
 41 replacement amount (as defined in IC 6-1.1-21-2 (before its
 42 repeal)) for that year as determined under IC 6-1.1-21-4



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1 (before its repeal) that is attributable to the taxing district;
 2 by
 3 (ii) the STEP ONE sum.
 4 STEP THREE: Multiply:
 5 (i) the STEP TWO quotient; by
 6 (ii) the total amount of the taxpayer's taxes (as defined in
 7 IC 6-1.1-21-2 (before its repeal)) levied in the taxing district
 8 that have been allocated during that year to an allocation
 9 fund under this section.
 10 If not all the taxpayers in an allocation area receive the credit
 11 in full, each taxpayer in the allocation area is entitled to
 12 receive the same proportion of the credit. A taxpayer may not
 13 receive a credit under this section and a credit under section
 14 32 of this chapter (before its repeal) in the same year.
 15 (F) Pay expenses incurred by the development authority for
 16 local public improvements or structures that were in the
 17 allocation area or directly serving or benefiting the allocation
 18 area.
 19 (G) Reimburse public and private entities for expenses
 20 incurred in training employees of industrial facilities that are
 21 located:
 22 (i) in the allocation area; and
 23 (ii) on a parcel of real property that has been classified as
 24 industrial property under the rules of the department of local
 25 government finance.
 26 However, the total amount of money spent for this purpose in
 27 any year may not exceed the total amount of money in the
 28 allocation fund that is attributable to property taxes paid by the
 29 industrial facilities described in this clause. The
 30 reimbursements under this clause must be made not more than
 31 three (3) years after the date on which the investments that are
 32 the basis for the increment financing are made.
 33 (H) Expend money and provide financial assistance as
 34 authorized in section 15(26) of this chapter.
 35 The allocation fund may not be used for operating expenses of the
 36 development authority.
 37 (4) Except as provided in subsection (g), before July 15 of each
 38 year the development authority shall do the following:
 39 (A) Determine the amount, if any, by which property taxes
 40 payable to the allocation fund in the following year will exceed
 41 the amount of property taxes necessary to make, when due,
 42 principal and interest payments on bonds described in

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1 subdivision (3) plus the amount necessary for other purposes
 2 described in subdivisions (2) and (3).
 3 (B) Provide a written notice to the appropriate county auditors
 4 and the fiscal bodies and other officers who are authorized to
 5 fix budgets, tax rates, and tax levies under IC 6-1.1-17-5 for
 6 each of the other taxing units that is wholly or partly located
 7 within the allocation area. The notice must:
 8 (i) state the amount, if any, of the excess property taxes that
 9 the development authority has determined may be paid to
 10 the respective taxing units in the manner prescribed in
 11 subdivision (1); or
 12 (ii) state that the development authority has determined that
 13 there is no excess assessed value that may be allocated to the
 14 respective taxing units in the manner prescribed in
 15 subdivision (1).
 16 The county auditors shall allocate to the respective taxing units
 17 the amount, if any, of excess assessed value determined by the
 18 development authority. The development authority may not
 19 authorize a payment to the respective taxing units under this
 20 subdivision if to do so would endanger the interest of the
 21 holders of bonds described in subdivision (3) or lessors under
 22 section 24 of this chapter. Property taxes received by a taxing
 23 unit under this subdivision before 2009 are eligible for the
 24 property tax replacement credit provided under IC 6-1.1-21
 25 (before its repeal).
 26 (c) For the purpose of allocating taxes levied by or for any taxing
 27 unit or units, the assessed value of taxable property in a territory in the
 28 allocation area that is annexed by a taxing unit after the effective date
 29 of the allocation provision of the declaratory resolution is the lesser of:
 30 (1) the assessed value of the property for the assessment date with
 31 respect to which the allocation and distribution is made; or
 32 (2) the base assessed value.
 33 (d) Property tax proceeds allocable to the military base development
 34 district under subsection (b)(3) may, subject to subsection (b)(4), be
 35 irrevocably pledged by the military base development district for
 36 payment as set forth in subsection (b)(3).
 37 (e) Notwithstanding any other law, each assessor shall, upon
 38 petition of the development authority, reassess the taxable property
 39 situated upon or in or added to the allocation area, effective on the next
 40 assessment date after the petition.
 41 (f) Notwithstanding any other law, the assessed value of all taxable
 42 property in the allocation area, for purposes of tax limitation, property

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1 tax replacement, and the making of the budget, tax rate, and tax levy
 2 for each political subdivision in which the property is located is the
 3 lesser of:

- 4 (1) the assessed value of the property as valued without regard to
 5 this section; or
 6 (2) the base assessed value.

7 (g) If any part of the allocation area is located in an enterprise zone
 8 created under IC 5-28-15, the development authority shall create funds
 9 as specified in this subsection. A development authority that has
 10 obligations, bonds, or leases payable from allocated tax proceeds under
 11 subsection (b)(3) shall establish an allocation fund for the purposes
 12 specified in subsection (b)(3) and a special zone fund. The
 13 development authority shall, until the end of the enterprise zone phase
 14 out period, deposit each year in the special zone fund any amount in the
 15 allocation fund derived from property tax proceeds in excess of those
 16 described in subsection (b)(1) and (b)(2) from property located in the
 17 enterprise zone that exceeds the amount sufficient for the purposes
 18 specified in subsection (b)(3) for the year. The amount sufficient for
 19 purposes specified in subsection (b)(3) for the year shall be determined
 20 based on the pro rata part of such current property tax proceeds from
 21 the part of the enterprise zone that is within the allocation area as
 22 compared to all such current property tax proceeds derived from the
 23 allocation area. A development authority that does not have
 24 obligations, bonds, or leases payable from allocated tax proceeds under
 25 subsection (b)(3) shall establish a special zone fund and deposit all the
 26 property tax proceeds in excess of those described in subsection (b)(1)
 27 and (b)(2) that are derived from property in the enterprise zone in the
 28 fund. The development authority that creates the special zone fund
 29 shall use the fund (based on the recommendations of the urban
 30 enterprise association) for programs in job training, job enrichment,
 31 and basic skill development that are designed to benefit residents and
 32 employers in the enterprise zone or for other purposes specified in
 33 subsection (b)(3), except that where reference is made in subsection
 34 (b)(3) to an allocation area it shall refer for purposes of payments from
 35 the special zone fund only to that part of the allocation area that is also
 36 located in the enterprise zone. The programs shall reserve at least
 37 one-half (1/2) of their enrollment in any session for residents of the
 38 enterprise zone.

39 (h) After each reassessment of real property in an area under a
 40 reassessment plan prepared under IC 6-1.1-4-4.2, the ~~department of~~
 41 ~~local government finance~~ **county auditor** shall, **on forms prescribed**
 42 **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) (before its expiration).

12 SECTION ~~61~~[161]. IC 36-7-32-19, AS AMENDED BY
13 P.L.86-2018, SECTION 349, IS AMENDED TO READ AS
14 FOLLOWS [EFFECTIVE ~~JULY 1, 2026~~[UPON PASSAGE]]: Sec.
15 19. (a) The state board of accounts and department of local government
16 finance shall make the rules and prescribe the forms and procedures
17 that the state board of accounts and department of local government
18 finance consider appropriate for the implementation of an allocation
19 area under this chapter.

20 (b) After each reassessment of real property in an area under a
21 reassessment plan prepared under IC 6-1.1-4-4.2, the ~~department of~~
22 ~~local government finance county auditor~~ shall, **on forms prescribed**
23 **by the department of local government finance**, adjust the base
24 assessed value one (1) time to neutralize any effect of the reassessment
25 of the real property in the area on the property tax proceeds allocated
26 to the certified technology park fund under section 17 of this chapter.
27 After each annual adjustment under IC 6-1.1-4-4.5, the ~~department of~~
28 ~~local government finance county auditor~~ shall, **on forms prescribed**
29 **by the department of local government finance**, adjust the base
30 assessed value to neutralize any effect of the annual adjustment on the
31 property tax proceeds allocated to the certified technology park fund
32 under section 17 of this chapter.

33 (c) **The county auditor shall, in the manner prescribed by the**
34 **department of local government finance, submit the forms**
35 **required by this section to the department of local government**
36 **finance no later than July 15 of each year. If the county auditor**
37 **fails to submit the forms by the deadline under this subsection, the**
38 **county auditor shall allocate five percent (5%) of the assessed**
39 **value in the allocation area that is used to calculate the allocation**
40 **and distribution of allocated tax proceeds under this section to the**
41 **respective taxing units. However, if the certified technology park**
42 **notifies the county auditor and the department of local government**



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1 **finance, no later than July 15, that it is unable to meet its debt**
 2 **service obligations with regard to the allocation area without all or**
 3 **part of the allocated tax proceeds attributed to the assessed value**
 4 **that has been allocated to the respective taxing units, then the**
 5 **county auditor may not allocate five percent (5%) of the assessed**
 6 **value in the allocation area that is used to calculate the allocation**
 7 **and distribution of allocated tax proceeds under this section to the**
 8 **respective taxing units.**

9 SECTION ~~62~~[162]. IC 36-7-32.5-16, AS ADDED BY
 10 P.L.135-2022, SECTION 28, IS AMENDED TO READ AS
 11 FOLLOWS [EFFECTIVE ~~JULY 1, 2026~~[UPON PASSAGE]]: Sec.
 12 16. (a) The state board of accounts, the department of state revenue,
 13 and the department of local government finance may adopt rules under
 14 IC 4-22-2 and prescribe the forms and procedures that the state board
 15 of accounts, the department of state revenue, and the department of
 16 local government finance consider appropriate for the implementation
 17 of an innovation development district under this chapter. However,
 18 before adopting rules under this section, the state board of accounts, the
 19 department of state revenue, and the department of local government
 20 finance shall submit a report to the budget committee that:

- 21 (1) describes the rules proposed by the state board of accounts,
 22 the department of state revenue, and the department of local
 23 government finance; and
 24 (2) recommends statutory changes necessary to implement the
 25 provisions of this chapter.

26 (b) After each reassessment of real property in an area under a
 27 county's reassessment plan prepared under IC 6-1.1-4-4.2, the ~~department of local government finance~~ county auditor shall, **on**
 28 **forms prescribed by the department of local government finance,**
 29 adjust the base assessed value one (1) time to neutralize any effect of
 30 the reassessment of the real property in the area on the property tax
 31 proceeds allocated to the local innovation development district fund
 32 established by section 19 of this chapter.

34 (c) After each annual adjustment under IC 6-1.1-4-4.5, the ~~department of local government finance~~ county auditor shall, **on**
 35 **forms prescribed by the department of local government finance,**
 36 adjust the base assessed value to neutralize any effect of the annual
 37 adjustment on the property tax proceeds allocated to the local
 38 innovation development district fund established by section 19 of this
 39 chapter.

41 (d) **The county auditor shall, in the manner prescribed by the**
 42 **department of local government finance, submit the forms**

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1 required by this section to the department of local government
 2 finance no later than July 15 of each year. If the county auditor
 3 fails to submit the forms by the deadline under this subsection, the
 4 county auditor shall allocate five percent (5%) of the assessed
 5 value in the allocation area that is used to calculate the allocation
 6 and distribution of allocated tax proceeds under this section to the
 7 respective taxing units. However, if the district notifies the county
 8 auditor and the department of local government finance, no later
 9 than July 15, that it is unable to meet its debt service obligations
 10 with regard to the allocation area without all or part of the
 11 allocated tax proceeds attributed to the assessed value that has
 12 been allocated to the respective taxing units, then the county
 13 auditor may not allocate five percent (5%) of the assessed value in
 14 the allocation area that is used to calculate the allocation and
 15 distribution of allocated tax proceeds under this section to the
 16 respective taxing units.

17 [SECTION 163. IC 36-7.5-2-10.5 IS ADDED TO THE INDIANA
 18 CODE AS A NEW SECTION TO READ AS FOLLOWS
 19 [EFFECTIVE FEBRUARY 28, 2026 (RETROACTIVE)]: Sec. 10.5.

20 (a) All bonds, notes, evidences of indebtedness, leases, or other
 21 written obligations issued or executed under this article by or in
 22 the name of the:

23 (1) Indiana finance authority;

24 (2) development authority; and

25 (3) city of Gary, the Lake County board of commissioners, or
 26 the Lake County convention center authority established by
 27 IC 36-7.5-7-9;

28 as authorized or approved by resolution or ordinance adopted by
 29 the entity before February 28, 2026, are hereby legalized and
 30 declared valid.

31 (b) Any pledge, dedication or designation of revenues,
 32 conveyance, or mortgage securing the bonds, notes, evidences of
 33 indebtedness, leases, or other written obligations issued or executed
 34 under this article by or in the name of the:

35 (1) Indiana finance authority;

36 (2) development authority; and

37 (3) city of Gary, the Lake County board of commissioners, or
 38 the Lake County convention center authority established by
 39 IC 36-7.5-7-9;

40 as authorized or approved by resolution or ordinance adopted by
 41 the entity before February 28, 2026, are hereby legalized and
 42 declared valid.



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1 (c) Any resolutions adopted, proceedings had, and actions taken
2 under this article by the:

- 3 (1) Indiana finance authority;
- 4 (2) development authority; and
- 5 (3) city of Gary, the Lake County board of commissioners, or
- 6 the Lake County convention center authority established by
- 7 IC 36-7.5-7-9;

8 before February 28, 2026, under which the bonds, notes, evidences
9 of indebtedness, leases, or other written obligations were or will be
10 issued or under which the pledge, dedication or designation of
11 revenues, conveyance, or mortgage was or will be granted are
12 hereby legalized and declared valid.

13 (d) An action to contest the validity of any action taken under
14 this article may not be brought after the fifteenth day following the
15 date the resolution of the:

- 16 (1) Indiana finance authority;
- 17 (2) development authority; or
- 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 is adopted approving the action taken.

22 (e) If an action challenging an action taken under this article is
23 not brought within the time prescribed by this section, the lease,
24 contract, bonds, notes, obligations, or other action taken shall be
25 conclusively presumed to be fully authorized and valid under the
26 laws of the state and any person is estopped from further
27 questioning the authorization, validity, execution, delivery, or
28 issuance of the lease, contract, bonds, notes, obligations, or other
29 action.

30] SECTION ~~63~~[164]. IC 36-7.5-4.5-18, AS AMENDED BY
31 P.L.236-2023, SECTION 194, IS AMENDED TO READ AS
32 FOLLOWS [EFFECTIVE ~~JULY 1, 2026~~[UPON PASSAGE]]: Sec.
33 18. If a district is established, the following apply to the administration
34 and use of incremental property tax revenue by the development
35 authority, or a redevelopment commission in the case of a district
36 located in a cash participant county, in the district:

- 37 (1) The ~~department of local government finance~~ **county auditor**
- 38 **shall, on forms prescribed by the department of local**
- 39 **government finance,** adjust the base assessed value to neutralize
- 40 any effect of a reassessment and the annual adjustment of the real
- 41 property in the district in the same manner as provided in
- 42 IC 36-7-14-39(h). **The county auditor shall, in the manner**

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1 prescribed by the department of local government finance,
 2 submit the forms required by this subdivision to the
 3 department of local government finance no later than July 15
 4 of each year. If the county auditor fails to submit the forms by
 5 the deadline under this subdivision, the county auditor shall
 6 allocate five percent (5%) of the assessed value in the
 7 allocation area that is used to calculate the allocation and
 8 distribution of allocated tax proceeds under this section to the
 9 respective taxing units. However, if the district notifies the
 10 county auditor and the department of local government
 11 finance, no later than July 15, that it is unable to meet its debt
 12 service obligations with regard to the allocation area without
 13 all or part of the allocated tax proceeds attributed to the
 14 assessed value that has been allocated to the respective taxing
 15 units, then the county auditor may not allocate five percent
 16 (5%) of the assessed value in the allocation area that is used
 17 to calculate the allocation and distribution of allocated tax
 18 proceeds under this section to the respective taxing units.

19 (2) Proceeds of the property taxes approved by the voters in a
 20 referendum or local public question shall be allocated to and,
 21 when collected, paid into the funds of the taxing unit for which
 22 the referendum or local public question was conducted in the
 23 same manner as provided in IC 36-7-14-39(b)(3).

24 (3) Incremental property tax revenue may be used only for one (1)
 25 or more of the following purposes for a district:

26 (A) To finance the improvement, construction, reconstruction,
 27 renovation, and acquisition of real and personal property
 28 improvements within a district.

29 (B) To pay the principal of and interest on any obligations that
 30 are incurred for the purpose of financing or refinancing
 31 development in the district, including local public
 32 improvements that are physically located in or physically
 33 connected to the district.

34 (C) To establish, augment, or restore the debt service reserve
 35 for bonds payable solely or in part from incremental property
 36 tax revenue from the district.

37 (D) To pay premiums on the redemption before maturity of
 38 bonds payable solely or in part from incremental property tax
 39 revenue from the district.

40 (E) To make payments on leases payable from incremental
 41 property tax revenue from the district.

42 (F) To reimburse a municipality in which a district is located

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1 for expenditures made by the municipality for local public
2 improvements that are physically located in or physically
3 connected to the district.

4 (G) To reimburse a municipality for rentals paid by the
5 municipality for a building or parking facility that is physically
6 located in or physically connected to the district under any
7 lease entered into under IC 36-1-10.

8 (H) To pay expenses incurred by the development authority for
9 local public improvements that are in the district or serving the
10 district.

11 SECTION ~~64~~ [165. IC 36-7.5-6-4, AS ADDED BY P.L.195-2023,
12 SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
13 UPON PASSAGE]: Sec. 4. (a) The blighted property demolition fund
14 is established to provide grants to the city of Gary to demolish qualified
15 properties.

16 (b) The fund consists of:

17 (1) appropriations from the general assembly;

18 (2) available federal funds;

19 (3) transfers of money under ~~IC 4-33-13-2.5(b)(1);~~

20 **IC 4-33-13-5(a)(3)(B);**

21 (4) deposits required under section 5(a) and 5(b) of this chapter;

22 and

23 (5) gifts, grants, donations, or other contributions from any other
24 public or private source.

25 (c) The development authority shall administer the fund.

26 (d) The treasurer of state shall invest the money in the fund not
27 currently needed to meet the obligations of the fund in the same
28 manner as other public funds may be invested.

29 (e) The money remaining in the fund at the end of a state fiscal year
30 does not revert to the state general fund.

31 (f) Money in the fund is continuously appropriated for the purposes
32 of this chapter.

33 SECTION 166. IC 36-7.5-7-5, AS ADDED BY P.L.195-2023,
34 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
35 UPON PASSAGE]: Sec. 5. (a) The Lake County economic
36 development and convention fund is established. The fund shall be
37 administered by the development authority.

38 (b) The convention fund consists of:

39 (1) deposits under ~~IC 4-33-13-2.5(b)(2); IC 4-33-13-5(a)(2)(C)~~

40 **and IC 4-33-13-5(a)(3)(A);**

41 (2) deposits under subsection (c);

42 (3) appropriations to the fund;



1 (4) gifts, grants, loans, bond proceeds, and other money received
 2 for deposit in the fund; and

3 (5) other deposits or transfers of funds from local units located in
 4 Lake County.

5 (c) If a proposal is approved as provided under this chapter, each
 6 state fiscal year, beginning with the first state fiscal year that begins
 7 after the proposal is approved, the approved entity shall deposit up to
 8 five million dollars (\$5,000,000) in the convention fund. The
 9 obligation of the city of Gary, as the approved entity, for each state
 10 fiscal year under this subsection is satisfied by the distributions
 11 made by the state comptroller on behalf of the city of Gary under
 12 IC 4-33-13-5(a)(2)(C). However, if the total amount distributed
 13 under IC 4-33-13-5(a)(2)(C) on behalf of the city of Gary with
 14 respect to a particular state fiscal year is less than the amount
 15 required by this subsection, the fiscal officer of the city of Gary
 16 shall transfer the amount of the shortfall to the convention fund
 17 from any source of revenue available to the city of Gary other than
 18 property taxes. The state comptroller shall certify the amount of
 19 any shortfall to the fiscal officer of the city of Gary after making
 20 the distribution required by IC 4-33-13-5(a)(2)(C) on behalf of the
 21 city of Gary with respect to a particular state fiscal year.

22 (d) The development authority shall administer money, including
 23 determining amounts to be used and the specific purposes, from the
 24 convention fund.

25 (e) Except as provided in section 8(d) of this chapter, the money
 26 remaining in the convention fund at the end of a state fiscal year does
 27 not revert to the state general fund.

28 (f) Money in the convention fund is continuously appropriated for
 29 the purposes of this chapter.

30 (g) Subject to budget committee review, but except as provided in
 31 subsection (i), the development authority may receive reimbursement
 32 for expenses incurred and a reasonable and customary amount for
 33 providing administrative services from money in the convention fund.

34 (h) The development authority shall quarterly report to the budget
 35 committee on all uses of money in the convention fund and the status
 36 of the convention and event center project.

37 (i) The development authority shall conduct an updated feasibility
 38 study related to a potential convention and event center located in Lake
 39 County. The development authority shall be reimbursed for the costs
 40 of obtaining the updated feasibility study from money in the fund.
 41 Budget committee review is not required for reimbursement under this
 42 subsection.



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1 SECTION 167. IC 36-7.5-7-9, AS ADDED BY P.L.195-2023,
 2 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 3 UPON PASSAGE]: Sec. 9. (a) If a proposal is approved under section
 4 8 of this chapter, following the approval of the proposal, **and when the**
 5 **construction of the convention and event center is substantially**
 6 **completed so that the convention and event center can be used for**
 7 **its intended purpose,** the Lake County convention center authority is
 8 established for the purpose of holding an equal share of ownership of
 9 the Lake County convention and event center with the entity whose
 10 proposal is approved and for providing general oversight of the upkeep,
 11 improvements, and management team as outlined in the accepted
 12 proposal. Subject to subsection (e), the convention center authority
 13 consists of seven (7) members, appointed as follows:

14 (1) Three (3) members appointed by the entity whose proposal is
 15 approved under section 8 of this chapter.

16 (2) Three (3) members appointed by the Lake County board of
 17 commissioners.

18 (3) One (1) member appointed by the governor.

19 Individuals appointed to the convention center authority must be
 20 **Indiana residents and** have professional experience in commercial
 21 **facility management. An appointing authority may not appoint an**
 22 **attorney in active standing as a member of the authority.**

23 (b) The term of office for a member of the board is two (2) years.
 24 The term begins July 1 of the year in which the member is appointed
 25 and ends on June 30 of the second year following the member's
 26 appointment. A member may be reappointed after the member's term
 27 has expired.

28 (c) A vacancy in membership must be filled in the same manner as
 29 the original appointment. Appointments made to fill a vacancy that
 30 occurs before the expiration of a term are for the remainder of the
 31 unexpired term.

32 (d) The member appointed under subsection (a)(3) shall serve as the
 33 chairperson of the convention center authority. The convention center
 34 authority shall meet at the call of the chairperson.

35 (e) An individual may not be appointed to the convention center
 36 authority if the individual is a party to a contract or agreement with the
 37 entity whose proposal is approved, is employed by the entity whose
 38 proposal is approved, or otherwise has a direct or indirect financial
 39 interest in the entity whose proposal is approved under this chapter.

40 SECTION 168. IC 36-7.5-7-10, AS ADDED BY P.L.195-2023,
 41 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 42 UPON PASSAGE]: Sec. 10. (a) A local county fund known as the Lake

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1 County convention and event center reserve fund is established to pay
 2 for:

3 (1) additions;

4 (2) refurbishment; and

5 (3) budget shortfalls or other unusual costs;

6 of a convention and event center that is constructed using money from
 7 the convention fund under this chapter.

8 (b) The reserve fund consists of:

9 (1) transfers under IC 6-9-2-1.5(c); and

10 (2) gifts, grants, donations, or other contributions from any other
 11 public or private source.

12 (c) **The Lake County commissioners shall administer the reserve**
 13 **fund until the convention center authority is established.**
 14 **Thereafter,** the convention center authority shall administer the
 15 reserve fund.

16 SECTION 169. IC 36-7.5-8-3, AS ADDED BY P.L.195-2023,
 17 SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 18 UPON PASSAGE]: Sec. 3. (a) The Gary Metro Center station
 19 revitalization fund is established to provide funding for the Gary Metro
 20 Center station revitalization project.

21 (b) The fund consists of:

22 (1) appropriations from the general assembly;

23 (2) available federal funds;

24 (3) transfers of money under ~~IC 4-33-13-2.5(b)(3);~~
 25 **IC 4-33-13-5(a)(3)(C);**

26 (4) deposits required under section 4 of this chapter; and

27 (5) gifts, grants, donations, or other contributions from any other
 28 public or private source.

29 (c) The development authority shall administer the fund.

30 (d) The money remaining in the fund at the end of a state fiscal year
 31 does not revert to the state general fund.

32 (e) Money in the fund is continuously appropriated for the purposes
 33 of this chapter.

34 (f) Subject to budget committee review, the development authority
 35 may receive reimbursement for expenses incurred and a reasonable and
 36 customary amount for providing administrative services from money
 37 in the fund.

38 SECTION 170. IC 36-8-11-12, AS AMENDED BY P.L.236-2023,
 39 SECTION 197, IS AMENDED TO READ AS FOLLOWS
 40 [EFFECTIVE JULY 1, 2026]: Sec. 12. (a) This section does not apply
 41 to the appointment of a governing board under section 12.5 of this
 42 chapter.



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1 (b) Within thirty (30) days after the ordinance or resolution
 2 establishing the district becomes final, the county legislative body shall
 3 appoint a board of fire trustees. The trustees must be qualified by
 4 knowledge and experience in matters pertaining to fire protection and
 5 related activities in the district. A person who:

- 6 (1) is a party to a contract with the district; or
 7 (2) is a member, an employee, a director, or a shareholder of any
 8 corporation or association that has a contract with the district; or
 9 **(3) does not reside in the district;**

10 may not be appointed or serve as a trustee. The legislative body shall
 11 appoint one (1) trustee from each township or part of a township
 12 contained in the district and one (1) trustee from each municipality
 13 contained in the district. If the number of trustees selected by this
 14 method is an even number, the legislative body shall appoint one (1)
 15 additional trustee so that the number of trustees is always an odd
 16 number. If the requirements of this section do not provide at least three
 17 (3) trustees, the legislative body shall make additional appointments so
 18 that there is a minimum of three (3) trustees.

19 (c) The original trustees shall be appointed as follows:

- 20 (1) One (1) for a term of one (1) year.
 21 (2) One (1) for a term of two (2) years.
 22 (3) One (1) for a term of three (3) years.
 23 (4) All others for a term of four (4) years.

24 The terms expire on the first Monday of January of the year their
 25 appointments expire. As the terms expire, each new appointment is for
 26 a term of four (4) years.

27 (d) If a vacancy occurs on the board, the county legislative body
 28 shall appoint a trustee with the qualifications specified in subsection
 29 (b) for the unexpired term.

30 **(e) On December 31, 2026, the term of any person serving as a**
 31 **trustee who does not reside in the district for which the person**
 32 **serves as a trustee is terminated. The county legislative body shall**
 33 **make new appointments as soon as possible after December 31,**
 34 **2026, to serve for the remainder of the unexpired term.**

35 SECTION 171. IC 36-8-19-7.5, AS AMENDED BY P.L.68-2025,
 36 SECTION 241, IS AMENDED TO READ AS FOLLOWS
 37 [EFFECTIVE JANUARY 1, 2025 (RETROACTIVE)]: Sec. 7.5. (a)
 38 This section applies to:

- 39 (1) local income tax distributions; and
 40 (2) excise tax distributions;
 41 made after December 31, 2009.

42 (b) Except as provided in subsection (c), for purposes of allocating



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1 local income tax distributions that are based on a taxing unit's
 2 allocation amount before January 1, 2028, 2029, or that an adopting
 3 body allocates under IC 6-3.6-6 to economic development before
 4 January 1, 2028, 2029, or excise tax distributions that are distributed
 5 based on the amount of a taxing unit's property tax levies, each
 6 participating unit in a territory is considered to have imposed a part of
 7 the property tax levy imposed for the territory. The part of the property
 8 tax levy imposed for the territory for a particular year that shall be
 9 attributed to a participating unit is equal to the amount determined in
 10 the following STEPS:

11 STEP ONE: Determine the total amount of all property taxes
 12 imposed by the participating unit in the year before the year in
 13 which a property tax levy was first imposed for the territory.

14 STEP TWO: Determine the sum of the STEP ONE amounts for
 15 all participating units.

16 STEP THREE: Divide the STEP ONE result by the STEP TWO
 17 result.

18 STEP FOUR: Multiply the STEP THREE result by the property
 19 tax levy imposed for the territory for the particular year.

20 (c) This subsection applies to a determination under subsection (b)
 21 made in calendar years 2018, 2019, and 2020. The department of local
 22 government finance may, for distributions made in calendar year 2022,
 23 adjust the allocation amount determined under subsection (b) to correct
 24 for any clerical or mathematical errors made in any determination for
 25 calendar year 2018, 2019, or 2020, as applicable, including the
 26 allocation amount for any taxing unit whose distribution was affected
 27 by the clerical or mathematical error in those years. The department of
 28 local government finance may apply the adjustment to the allocation
 29 amount for a taxing unit over a period not to exceed ten (10) years in
 30 order to offset the effect of the adjustment on the distribution.

31 (d) This subsection applies to a territory established by an ordinance
 32 or a resolution adopted under this chapter after December 31, 2024.
 33 Before additional revenue from a local income tax rate may be
 34 allocated to the provider unit of a new territory due to an increased
 35 property tax levy resulting from the establishment of the territory, the
 36 county fiscal body must adopt an ordinance or resolution approving the
 37 allocation.

38 SECTION 172]. IC 36-8-19-8.5, AS AMENDED BY P.L.255-2017,
 39 SECTION 47, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 40 JULY 1, 2026]: Sec. 8.5. (a) Participating units may agree to establish
 41 an equipment replacement fund under this section to be used to
 42 purchase fire protection equipment, including housing, that will be



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1 used to serve the entire territory. To establish the fund, the legislative
2 bodies of each participating unit must adopt an ordinance (in the case
3 of a county or municipality) or a resolution (in the case of a township
4 or fire protection district), and the following requirements must be met:

5 (1) The ordinance or resolution is identical to the ordinances and
6 resolutions adopted by the other participating units under this
7 section.

8 (2) Before adopting the ordinance or resolution, each participating
9 unit must comply with the notice and hearing requirements of
10 IC 6-1.1-41-3.

11 (3) The ordinance or resolution authorizes the provider unit to
12 establish the fund.

13 (4) The ordinance or resolution includes at least the following:
14 (A) The name of each participating unit and the provider unit.
15 (B) An agreement to impose a uniform tax rate upon all of the
16 taxable property within the territory for the equipment
17 replacement fund.
18 (C) The contents of the agreement to establish the fund.

19 An ordinance or a resolution adopted under this section takes effect as
20 provided in IC 6-1.1-41.

21 (b) If a fund is established, the participating units may agree to:
22 (1) impose a property tax to provide for the accumulation of
23 money in the fund to purchase fire protection equipment;
24 (2) incur debt to purchase fire protection equipment and impose
25 a property tax to retire the loan; or
26 (3) transfer an amount from the fire protection territory fund to
27 the fire equipment replacement fund not to exceed five percent
28 (5%) of the levy for the fire protection territory fund for that year;
29 or any combination of these options.

30 (c) The property tax rate for the levy imposed under this section **is**
31 **considered part of the maximum permissible ad valorem property**
32 **tax levy and** may not exceed three and thirty-three hundredths cents
33 (\$0.0333) per one hundred dollars (\$100) of assessed value. Before
34 debt may be incurred, the fiscal body of a participating unit must adopt
35 an ordinance (in the case of a county or municipality) or a resolution
36 (in the case of a township or fire protection district) that specifies the
37 amount and purpose of the debt. The ordinance or resolution must be
38 identical to the other ordinances and resolutions adopted by the
39 participating units. Except as provided in subsection (d), if debt is to be
40 incurred for the purposes of a fund, the provider unit shall negotiate for
41 and hold the debt on behalf of the territory. However, the participating
42 units and the provider unit of the territory are jointly liable for any debt

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1 incurred by the provider unit for the purposes of the fund. The most
 2 recent adjusted value of taxable property for the entire territory must be
 3 used to determine the debt limit under IC 36-1-15-6. A provider unit
 4 shall comply with all general statutes and rules relating to the
 5 incurrence of debt under this subsection.

6 (d) A participating unit of a territory may, to the extent allowed by
 7 law, incur debt in the participating unit's own name to acquire fire
 8 protection equipment or other property that is to be owned by the
 9 participating unit. A participating unit that acquires fire protection
 10 equipment or other property under this subsection may afterward enter
 11 into an interlocal agreement under IC 36-1-7 with the provider unit to
 12 furnish the fire protection equipment or other property to the provider
 13 unit for the provider unit's use or benefit in accomplishing the purposes
 14 of the territory. A participating unit shall comply with all general
 15 statutes and rules relating to the incurrence of debt under this
 16 subsection.

17 (e) Money in the fund may be used by the provider unit only for
 18 those purposes set forth in the agreement among the participating units
 19 that permits the establishment of the fund.

20 (f) The requirements and procedures specified in IC 6-1.1-41
 21 concerning the establishment or reestablishment of a cumulative fund,
 22 the imposing of a property tax for a cumulative fund, and the increasing
 23 of a property tax rate for a cumulative fund apply to:

- 24 (1) the establishment or reestablishment of a fund under this
 25 section;
- 26 (2) the imposing of a property tax for a fund under this section;
 27 and
- 28 (3) the increasing of a property tax rate for a fund under this
 29 section.

30 (g) Notwithstanding IC 6-1.1-18-12, if a fund established under this
 31 section is reestablished in the manner provided in IC 6-1.1-41, the
 32 property tax rate imposed for the fund in the first year after the fund is
 33 reestablished may not exceed three and thirty-three hundredths cents
 34 (\$0.0333) per one hundred dollars (\$100) of assessed value.

35 [SECTION 173. IC 36-9-37-14 IS AMENDED TO READ AS
 36 FOLLOWS [EFFECTIVE JANUARY 1, 2026 (RETROACTIVE)]:
 37 Sec. 14. (a) **With respect to a property owner who has secured the**
 38 **right to pay the property owner's assessments in deferred installments**
 39 **by the filing of a waiver, ~~may~~, the municipal works board shall**
 40 **establish a policy to permit an owner of real property in the**
 41 **municipality to prepay the property owner's assessment in full by**
 42 **either of the following methods:**



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1 (1) At any time after the expiration of the first year after the filing,
 2 pay the entire balance of the assessment and be relieved of the
 3 lien on the property owner's property. A property owner may not
 4 pay the property owner's entire balance under this subsection
 5 unless at the same time the property owner pays all interest due
 6 at the next interest paying period.

7 (2) At any time, including within the year of the filing, pay the
 8 entire balance of the assessment and be relieved of the lien on
 9 the property owner's property. A property owner may not
 10 pay the property owner's entire balance under this subsection
 11 unless at the same time the property owner pays all interest
 12 due at the next interest paying period.

13 (b) If a person who exercises the right to prepay the person's
 14 assessment fully pays the assessment and interest, all interest and
 15 liability as to the assessed property ceases.

16] SECTION ~~65~~[174]. [EFFECTIVE JANUARY 1, 2024
 17 (RETROACTIVE)] (a) **This SECTION applies notwithstanding**
 18 **IC 6-1.1-10, IC 6-1.1-11, or any other law or administrative rule or**
 19 **provision.**

20 (b) **This SECTION applies to assessment dates after December**
 21 **31, 2023, and before January 1, 2026.**

22 (c) **As used in this SECTION, "eligible property" means any**
 23 **real property:**

24 (1) **that is owned, occupied, and used by a taxpayer that:**

25 (A) **is exempt from federal income taxation under Section**
 26 **501(c)(3) of the Internal Revenue Code; and**

27 (B) **has a mission focused on preserving Indiana**
 28 **landmarks;**

29 (2) **that is used for one (1) or more of the purposes described**
 30 **in IC 6-1.1-10-16;**

31 (3) **that is a parcel that:**

32 (A) **was transferred to the taxpayer before January 1,**
 33 **2024; and**

34 (B) **is located in Vanderburgh County;**

35 (4) **on which property taxes were imposed for the 2024 and**
 36 **2025 assessment dates; and**

37 (5) **that would have been eligible for an exemption under**
 38 **IC 6-1.1-10-16 for the 2024 and 2025 assessment dates if an**
 39 **exemption application had been properly and timely filed**
 40 **under IC 6-1.1 for the property.**

41 (d) **Before September 1, 2026, the owner of eligible property**
 42 **may file a property tax exemption application and supporting**



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1 documents claiming a property tax exemption under this
2 SECTION for the eligible property for the 2024 and 2025
3 assessment dates.

4 (e) A property tax exemption application filed as provided in
5 subsection (d) is considered to have been properly and timely filed
6 for each assessment date.

7 (f) The following apply if the owner of eligible property files a
8 property tax exemption application as provided in subsection (d):

9 (1) The property tax exemption for the eligible property shall
10 be allowed and granted for the applicable assessment date by
11 the county assessor and county auditor of the county in which
12 the eligible property is located.

13 (2) The owner of the eligible property is not required to pay
14 any property taxes, penalties, or interest with respect to the
15 eligible property for the applicable assessment date.

16 (g) The exemption allowed by this SECTION shall be applied
17 without the need for any further ruling or action by the county
18 assessor, the county auditor, or the county property tax assessment
19 board of appeals of the county in which the eligible property is
20 located or by the Indiana board of tax review.

21 (h) To the extent the owner of the eligible property has paid any
22 property taxes, penalties, or interest with respect to the eligible
23 property for an applicable date and to the extent that the eligible
24 property is exempt from taxation as provided in this SECTION,
25 the owner of the eligible property is entitled to a refund of the
26 amounts paid. The owner is not entitled to any interest on the
27 refund under IC 6-1.1 or any other law to the extent interest has
28 not been paid by or on behalf of the owner. Notwithstanding the
29 filing deadlines for a claim under IC 6-1.1-26, any claim for a
30 refund filed by the owner of eligible property under this SECTION
31 before September 1, 2026, is considered timely filed. The county
32 auditor shall pay the refund due under this SECTION in one (1)
33 installment.

34 (i) This SECTION expires June 30, 2027.

35 SECTION ~~66~~ [175]. [EFFECTIVE JANUARY 1, 2026
36 (RETROACTIVE)] (a) IC 6-1.1-10.2, as added by this act, applies to
37 assessment dates occurring after December 31, 2025, for property
38 taxes first due and payable in 2027.

39 (b) This SECTION expires July 1, 2030.

40 SECTION ~~67~~ [176]. [EFFECTIVE JANUARY 1, 2026
41 (RETROACTIVE)] (a) The amendments made by this act to:

42 (1) IC 6-1.1-12.6-2;



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- 1 (2) IC 6-1.1-12.6-4;
 2 (3) IC 6-1.1-12.6-8;
 3 (4) IC 6-1.1-12.8-3;
 4 (5) IC 6-1.1-12.8-4;
 5 (6) IC 6-1.1-12.8-9; and
 6 (7) IC 6-1.1-12.8-10;
 7 apply to assessment dates occurring after December 31, 2025.
 8 (b) This SECTION expires January 1, 2028.
 9 SECTION ~~68~~ [177]. [EFFECTIVE UPON PASSAGE] (a)
 10 IC 6-3.6-6-3 was amended by P.L.137-2024, SECTION 9, effective
 11 July 1, 2024, until July 1, 2027, and by P.L.68-2025, SECTION 124,
 12 effective July 1, 2027], and the effective date of the amendment
 13 made by P.L.68-2025, SECTION 124 is delayed by this act until
 14 July 1, 2028]. The general assembly recognizes that this act
 15 amends, effective July 1, 2026, the version of IC 6-3.6-6-3 amended
 16 by P.L.137-2024, SECTION 9. The general assembly intends for
 17 the version of IC 6-3.6-6-3:
 18 ~~↔~~ (1) as amended ~~by this act~~ [effective July 1, 2026], to
 19 expire July 1, 202~~7~~ [8]; and
 20 (2) as amended by P.L.68-2025, SECTION 124, to take effect
 21 July 1, 202~~7~~ [8].
 22 (b) This SECTION expires December 31, ~~2027~~.
 23 ~~SECTION 69~~ [2028].
 24 SECTION 178. [EFFECTIVE JANUARY 1, 2026
 25 (RETROACTIVE)] (a) IC 6-3.1-38-4 and IC 6-3.1-38-7, both as
 26 amended by this act, and IC 6-3.1-38-4.5, as added by this act,
 27 apply to taxable years beginning after December 31, 2025.
 28 (b) This SECTION expires January 1, 2028.
 29 SECTION 179. [EFFECTIVE JANUARY 1, 2026
 30 (RETROACTIVE)] (a) IC 6-1.1-51.3-5 and IC 6-1.1-51.3-6, both as
 31 added by this act, apply to property taxes imposed for assessment
 32 dates after December 31, 2025.
 33 (b) This SECTION expires January 1, 2028.
 34 SECTION 180. [EFFECTIVE JANUARY 1, 2026
 35 (RETROACTIVE)] (a) IC 6-1.1-12-14, as amended by this act,
 36 applies to property taxes for assessment dates after December 31,
 37 2025.
 38 (b) This SECTION expires January 1, 2028.
 39 SECTION 181. [EFFECTIVE UPON PASSAGE] (a)
 40 Notwithstanding the effective date of the following sections
 41 amended by P.L.68-2025 (SEA 1-2025), the effective date for these
 42 sections is July 1, 2028, and not July 1, 2027:

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- 1 [\(1\) IC 5-1-14-14, as amended by P.L.68-2025 \(SEA 1-2025\),](#)
- 2 [SECTION 2.](#)
- 3 [\(2\) IC 5-16-9-3, as amended by P.L.68-2025 \(SEA 1-2025\),](#)
- 4 [SECTION 4.](#)
- 5 [\(3\) IC 6-1.1-10.3-3, as amended by P.L.68-2025 \(SEA 1-2025\),](#)
- 6 [SECTION 16 and as amended by this act.](#)
- 7 [\(4\) IC 6-1.1-10.3-5, as amended by P.L.68-2025 \(SEA 1-2025\),](#)
- 8 [SECTION 17.](#)
- 9 [\(5\) IC 6-1.1-10.3-7, as amended by P.L.68-2025 \(SEA 1-2025\),](#)
- 10 [SECTION 18.](#)
- 11 [\(6\) IC 6-3-2-27.5, as amended by P.L.68-2025 \(SEA 1-2025\),](#)
- 12 [SECTION 86.](#)
- 13 [\(7\) IC 6-3.5-4-1, as amended by P.L.68-2025 \(SEA 1-2025\),](#)
- 14 [SECTION 87.](#)
- 15 [\(8\) IC 6-3.5-4-1.1, as amended by P.L.68-2025 \(SEA 1-2025\),](#)
- 16 [SECTION 88.](#)
- 17 [\(9\) IC 6-3.5-5-1, as amended by P.L.68-2025 \(SEA 1-2025\),](#)
- 18 [SECTION 89.](#)
- 19 [\(10\) IC 6-3.5-5-1.1, as amended by P.L.68-2025 \(SEA 1-2025\),](#)
- 20 [SECTION 90.](#)
- 21 [\(11\) IC 6-3.6-1-1, as amended by P.L.68-2025 \(SEA 1-2025\),](#)
- 22 [SECTION 91.](#)
- 23 [\(12\) IC 6-3.6-1-1.5, as amended by P.L.68-2025 \(SEA 1-2025\),](#)
- 24 [SECTION 92 and as amended by this act.](#)
- 25 [\(13\) IC 6-3.6-1-3, as amended by P.L.68-2025 \(SEA 1-2025\),](#)
- 26 [SECTION 93 and as amended by this act.](#)
- 27 [\(14\) IC 6-3.6-1-4, as amended by P.L.68-2025 \(SEA 1-2025\),](#)
- 28 [SECTION 94.](#)
- 29 [\(15\) IC 6-3.6-2-5, as amended by P.L.68-2025 \(SEA 1-2025\),](#)
- 30 [SECTION 97.](#)
- 31 [\(16\) IC 6-3.6-3-1, as amended by P.L.68-2025 \(SEA 1-2025\),](#)
- 32 [SECTION 102.](#)
- 33 [\(17\) IC 6-3.6-3-3, as amended by P.L.68-2025 \(SEA 1-2025\),](#)
- 34 [SECTION 103 and as amended by this act.](#)
- 35 [\(18\) IC 6-3.6-3-4, as amended by P.L.68-2025 \(SEA 1-2025\),](#)
- 36 [SECTION 105 and as amended by this act.](#)
- 37 [\(19\) IC 6-3.6-3-5, as amended by P.L.68-2025 \(SEA 1-2025\),](#)
- 38 [SECTION 106 and as amended by this act.](#)
- 39 [\(20\) IC 6-3.6-6-2, as amended by P.L.68-2025 \(SEA 1-2025\),](#)
- 40 [SECTION 118 and as amended by this act.](#)
- 41 [\(21\) IC 6-3.6-6-3, as amended by P.L.68-2025 \(SEA 1-2025\),](#)
- 42 [SECTION 124.](#)

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- 1 (22) IC 6-3.6-6-4, as amended by P.L.68-2025 (SEA 1-2025),
- 2 SECTION 126 and as amended by this act.
- 3 (23) IC 6-3.6-6-8, as amended by P.L.68-2025 (SEA 1-2025),
- 4 SECTION 130.
- 5 (24) IC 6-3.6-6-8.5, as amended by P.L.68-2025 (SEA 1-2025),
- 6 SECTION 131.
- 7 (25) IC 6-3.6-6-9.5, as amended by P.L.68-2025 (SEA 1-2025),
- 8 SECTION 133.
- 9 (26) IC 6-3.6-6-17, as amended by P.L.68-2025 (SEA 1-2025),
- 10 SECTION 140.
- 11 (27) IC 6-3.6-6-18, as amended by P.L.68-2025 (SEA 1-2025),
- 12 SECTION 141.
- 13 (28) IC 6-3.6-6-19, as amended by P.L.68-2025 (SEA 1-2025),
- 14 SECTION 142.
- 15 (29) IC 6-3.6-6-21, as amended by P.L.68-2025 (SEA 1-2025),
- 16 SECTION 144.
- 17 (30) IC 6-3.6-6-21.3, as amended by P.L.68-2025 (SEA
- 18 1-2025), SECTION 146 and as amended by this act.
- 19 (31) IC 6-3.6-7-9, as amended by P.L.68-2025 (SEA 1-2025),
- 20 SECTION 149 and as amended by this act.
- 21 (32) IC 6-3.6-7-28, as amended by P.L.68-2025 (SEA 1-2025),
- 22 SECTION 150.
- 23 (33) IC 6-3.6-8-4, as amended by P.L.68-2025 (SEA 1-2025),
- 24 SECTION 152.
- 25 (34) IC 6-3.6-9-1, as amended by P.L.68-2025 (SEA 1-2025),
- 26 SECTION 154 and as amended by this act.
- 27 (35) IC 6-3.6-9-4, as amended by P.L.68-2025 (SEA 1-2025),
- 28 SECTION 156.
- 29 (36) IC 6-3.6-9-4.1, as amended by P.L.68-2025 (SEA 1-2025),
- 30 SECTION 157.
- 31 (37) IC 6-3.6-9-5, as amended by P.L.68-2025 (SEA 1-2025),
- 32 SECTION 158 and as amended by this act.
- 33 (38) IC 6-3.6-9-6, as amended by P.L.68-2025 (SEA 1-2025),
- 34 SECTION 159.
- 35 (39) IC 6-3.6-9-7, as amended by P.L.68-2025 (SEA 1-2025),
- 36 SECTION 160.
- 37 (40) IC 6-3.6-9-9, as amended by P.L.68-2025 (SEA 1-2025),
- 38 SECTION 163.
- 39 (41) IC 6-3.6-9-10, as amended by P.L.68-2025 (SEA 1-2025),
- 40 SECTION 164 and as amended by this act.
- 41 (42) IC 6-3.6-9-11, as amended by P.L.68-2025 (SEA 1-2025),
- 42 SECTION 165.

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- 1 [\(43\) IC 6-3.6-9-12, as amended by P.L.68-2025 \(SEA 1-2025\),](#)
2 [SECTION 166 and as amended by this act.](#)
3 [\(44\) IC 6-3.6-9-13, as amended by P.L.68-2025 \(SEA 1-2025\),](#)
4 [SECTION 167 and as amended by this act.](#)
5 [\(45\) IC 6-3.6-9-16, as amended by P.L.68-2025 \(SEA 1-2025\),](#)
6 [SECTION 170.](#)
7 [\(46\) IC 6-3.6-11-3, as amended by P.L.68-2025 \(SEA 1-2025\),](#)
8 [SECTION 180 and as amended by this act.](#)
9 [\(47\) IC 6-9-10.5-8, as amended by P.L.68-2025 \(SEA 1-2025\),](#)
10 [SECTION 190.](#)
11 [\(48\) IC 8-18-22-6, as amended by P.L.68-2025 \(SEA 1-2025\),](#)
12 [SECTION 195.](#)
13 [\(49\) IC 8-22-3.5-9, as amended by P.L.68-2025 \(SEA 1-2025\),](#)
14 [SECTION 196.](#)
15 [\(50\) IC 12-20-25-34, as amended by P.L.68-2025 \(SEA](#)
16 [1-2025\), SECTION 197.](#)
17 [\(51\) IC 12-20-25-35, as amended by P.L.68-2025 \(SEA](#)
18 [1-2025\), SECTION 198.](#)
19 [\(52\) IC 36-7-14-39, as amended by P.L.68-2025 \(SEA 1-2025\),](#)
20 [SECTION 234.](#)
21 [\(53\) IC 36-7-15.1-26, as amended by P.L.68-2025 \(SEA](#)
22 [1-2025\), SECTION 235 and as amended by this act.](#)
23 [\(54\) IC 36-7-15.1-53, as amended by P.L.68-2025 \(SEA](#)
24 [1-2025\), SECTION 236 and as amended by this act.](#)
25 [\(55\) IC 36-7-30-25, as amended by P.L.68-2025 \(SEA 1-2025\),](#)
26 [SECTION 237 and as amended by this act.](#)
27 [\(56\) IC 36-7-30.5-30, as amended by P.L.68-2025 \(SEA](#)
28 [1-2025\), SECTION 238 and as amended by this act.](#)
29 [\(57\) IC 36-7.5-4-2.5, as amended by P.L.68-2025 \(SEA](#)
30 [1-2025\), SECTION 239.](#)
31 [\(58\) IC 36-8-19-8, as amended by P.L.68-2025 \(SEA 1-2025\),](#)
32 [SECTION 242.](#)
33 [\(b\) Notwithstanding the effective date of the following sections](#)
34 [amended by P.L.68-2025 \(SEA 1-2025\), the effective date for these](#)
35 [sections is January 1, 2029, and not January 1, 2028:](#)
36 [\(1\) IC 6-1.1-18.5-3, as amended by P.L.68-2025 \(SEA 1-2025\),](#)
37 [SECTION 60.](#)
38 [\(2\) IC 6-3.6-2-2, as amended by P.L.68-2025 \(SEA 1-2025\),](#)
39 [SECTION 95 and as amended by this act.](#)
40 [\(3\) IC 6-3.6-2-13, as amended by P.L.68-2025 \(SEA 1-2025\),](#)
41 [SECTION 100 and as amended by this act.](#)
42 [\(4\) IC 6-3.6-2-15, as amended by P.L.68-2025 \(SEA 1-2025\),](#)

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- 1 SECTION 101 and as amended by this act.
 2 (5) IC 6-3.6-4-1, as amended by P.L.68-2025 (SEA 1-2025),
 3 SECTION 113.
 4 (6) IC 6-3.6-4-2, as amended by P.L.68-2025 (SEA 1-2025),
 5 SECTION 114.
 6 (7) IC 6-3.6-4-3, as amended by P.L.68-2025 (SEA 1-2025),
 7 SECTION 115.
 8 (8) IC 6-3.6-8-3, as amended by P.L.68-2025 (SEA 1-2025),
 9 SECTION 151 and as amended by this act.
 10 (9) IC 6-3.6-8-5, as amended by P.L.68-2025 (SEA 1-2025),
 11 SECTION 153.
 12 (10) IC 6-3.6-10-2, as amended by P.L.68-2025 (SEA 1-2025),
 13 SECTION 174.
 14 (11) IC 6-3.6-10-3, as amended by P.L.68-2025 (SEA 1-2025),
 15 SECTION 175.
 16 (12) IC 6-3.6-10-5, as amended by P.L.68-2025 (SEA 1-2025),
 17 SECTION 176.
 18 (13) IC 6-3.6-10-6, as amended by P.L.68-2025 (SEA 1-2025),
 19 SECTION 177.
 20 (14) IC 6-3.6-11-4, as amended by P.L.68-2025 (SEA 1-2025),
 21 SECTION 181.
 22 (15) IC 6-3.6-11-5.5, as amended by P.L.68-2025 (SEA
 23 1-2025), SECTION 182.
 24 (16) IC 6-3.6-11-6, as amended by P.L.68-2025 (SEA 1-2025),
 25 SECTION 183.
 26 (17) IC 6-3.6-11-7, as amended by P.L.68-2025 (SEA 1-2025),
 27 SECTION 184.
 28 (18) IC 6-3.6-11-7.5, as amended by P.L.68-2025 (SEA
 29 1-2025), SECTION 185.
 30 (c) Notwithstanding the effective date of the following sections
 31 added by P.L.68-2025 (SEA 1-2025), the effective date for these
 32 sections is July 1, 2028, and not July 1, 2027:
 33 (1) IC 6-3.6-3-3.3, as added by P.L.68-2025 (SEA 1-2025),
 34 SECTION 104.
 35 (2) IC 6-3.6-5-7, as added by P.L.68-2025 (SEA 1-2025),
 36 SECTION 116.
 37 (3) IC 6-3.6-6-0.5, as added by P.L.68-2025 (SEA 1-2025),
 38 SECTION 117.
 39 (4) IC 6-3.6-6-4.3, as added by P.L.68-2025 (SEA 1-2025),
 40 SECTION 127 and as amended by this act.
 41 (5) IC 6-3.6-6-4.5, as added by P.L.68-2025 (SEA 1-2025),
 42 SECTION 128 and as amended by this act.

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- 1 (6) IC 6-3.6-6-6.1, as added by P.L.68-2025 (SEA 1-2025),
 2 SECTION 129 and as amended by this act.
 3 (7) IC 6-3.6-6-22, as added by P.L.68-2025 (SEA 1-2025),
 4 SECTION 147 and as amended by this act.
 5 (8) IC 6-3.6-6-23, as added by P.L.68-2025 (SEA 1-2025),
 6 SECTION 148 and as amended by this act.
 7 (9) IC 6-3.6-9-1.1, as added by P.L.68-2025 (SEA 1-2025),
 8 SECTION 155.
 9 (10) IC 6-3.6-9-17.5, as added by P.L.68-2025 (SEA 1-2025),
 10 SECTION 171 and as amended by this act.
 11 (11) IC 6-3.6-9-20, as added by P.L.68-2025 (SEA 1-2025),
 12 SECTION 172.
 13 (12) IC 6-3.6-9-21, as added by P.L.68-2025 (SEA 1-2025),
 14 SECTION 173 and as amended by this act.
 15 (d) Notwithstanding the effective date of the following sections
 16 repealed 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 6-1.1-10.3-2, as repealed by P.L.68-2025 (SEA 1-2025),
 19 SECTION 15.
 20 (2) IC 6-3.6-2-4, as repealed by P.L.68-2025 (SEA 1-2025),
 21 SECTION 96.
 22 (3) IC 6-3.6-2-12, as repealed by P.L.68-2025 (SEA 1-2025),
 23 SECTION 99.
 24 (4) IC 6-3.6-3-6, as repealed by P.L.68-2025 (SEA 1-2025),
 25 SECTION 107.
 26 (5) IC 6-3.6-3-7, as repealed by P.L.68-2025 (SEA 1-2025),
 27 SECTION 108.
 28 (6) IC 6-3.6-3-8, as repealed by P.L.68-2025 (SEA 1-2025),
 29 SECTION 109.
 30 (7) IC 6-3.6-3-9, as repealed by P.L.68-2025 (SEA 1-2025),
 31 SECTION 110.
 32 (8) IC 6-3.6-3-10, as repealed by P.L.68-2025 (SEA 1-2025),
 33 SECTION 112.
 34 (9) IC 6-3.6-6-9, as repealed by P.L.68-2025 (SEA 1-2025),
 35 SECTION 132.
 36 (10) IC 6-3.6-6-10, as repealed by P.L.68-2025 (SEA 1-2025),
 37 SECTION 134.
 38 (11) IC 6-3.6-6-11, as repealed by P.L.68-2025 (SEA 1-2025),
 39 SECTION 135.
 40 (12) IC 6-3.6-6-12, as repealed by P.L.68-2025 (SEA 1-2025),
 41 SECTION 136.
 42 (13) IC 6-3.6-6-14, as repealed by P.L.68-2025 (SEA 1-2025),

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- 1 SECTION 137.
- 2 (14) IC 6-3.6-6-15, as repealed by P.L.68-2025 (SEA 1-2025),
- 3 SECTION 138.
- 4 (15) IC 6-3.6-6-16, as repealed by P.L.68-2025 (SEA 1-2025),
- 5 SECTION 139.
- 6 (16) IC 6-3.6-6-20, as repealed by P.L.68-2025 (SEA 1-2025),
- 7 SECTION 143.
- 8 (17) IC 6-3.6-6-21.2, as repealed by P.L.68-2025 (SEA 1-2025),
- 9 SECTION 145.
- 10 (18) IC 6-3.6-9-8, as repealed by P.L.68-2025 (SEA 1-2025),
- 11 SECTION 161.
- 12 (19) IC 6-3.6-9-8.5, as repealed by P.L.68-2025 (SEA 1-2025),
- 13 SECTION 162.
- 14 (20) IC 6-3.6-9-14, as repealed by P.L.68-2025 (SEA 1-2025),
- 15 SECTION 168.

16 (e) Notwithstanding the effective date of the following sections
 17 repealed by P.L.68-2025 (SEA 1-2025), the effective date for these
 18 sections is January 1, 2029, and not January 1, 2028:

- 19 (1) IC 6-3.6-6-2.5, as repealed by P.L.68-2025 (SEA 1-2025),
- 20 SECTION 119.
- 21 (2) IC 6-3.6-6-2.6, as repealed by P.L.68-2025 (SEA 1-2025),
- 22 SECTION 120.
- 23 (3) IC 6-3.6-6-2.7, as repealed by P.L.68-2025 (SEA 1-2025),
- 24 SECTION 121.
- 25 (4) IC 6-3.6-6-2.8, as repealed by P.L.68-2025 (SEA 1-2025),
- 26 SECTION 122.
- 27 (5) IC 6-3.6-6-2.9, as repealed by P.L.68-2025 (SEA 1-2025),
- 28 SECTION 123.
- 29 (6) IC 6-3.6-9-15, as repealed by P.L.68-2025 (SEA 1-2025),
- 30 SECTION 169.
- 31 (7) IC 6-3.6-11-1, as repealed by P.L.68-2025 (SEA 1-2025),
- 32 SECTION 179.

33 (f) The revisor of statutes shall print the Indiana Code to
 34 incorporate the effective date changes to the sections of
 35 P.L.68-2025 (SEA 1-2025) as provided in this SECTION and as
 36 amended by this act.

37 SECTION 182. P.L.68-2025, SECTION 246, IS REPEALED
 38 [EFFECTIVE UPON PASSAGE]. SECTION 246: [EFFECTIVE JUNE
 39 30, 2027]. (a) Notwithstanding the July 1, 2027, effective date for
 40 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
 41 as added by this act; the July 1, 2027, effective date for IC 6-3.6-6-2;
 42 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;

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1 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
 2 amended by this act; and the July 1, 2027, or January 1, 2028, repeal
 3 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,
 4 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,
 5 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
 6 IC 6-3.6-6-20, all as repealed by this act; the method used to determine
 7 the amount of a particular distribution of revenue before July 1, 2027,
 8 shall continue to be used for these determinations for all of 2027.

9 (b) Notwithstanding the adoption of different tax rates by a county
 10 applicable after 2027 or the adoption of municipal tax rates under
 11 IC 6-3.6-6-22, as added by this act, applicable after 2027, or any other
 12 provision of law, the certified distribution methodology calculation for
 13 local income tax distributions made in 2027 shall continue for local
 14 income tax distributions made in 2028 and 2029 to account for the
 15 transition to any new tax rates.

16 (c) This SECTION expires June 30, 2030.

17 SECTION 183. [EFFECTIVE JUNE 30, 2028] (a) Notwithstanding
 18 the effective date for:

19 (1) the amendment of sections in IC 6-3.6-6 by this act or by
 20 P.L.68-2025;

21 (2) the addition of sections in IC 6-3.6-6 by this act or by
 22 P.L.68-2025; or

23 (3) the repeal of sections in IC 6-3.6-6 by this act or by
 24 P.L.68-2025;

25 the method used to determine the amount of a particular
 26 distribution of revenue before July 1, 2028, shall continue to be
 27 used for these determinations for all of 2028.

28 (b) Notwithstanding the adoption of different tax rates by a
 29 county applicable after 2028 or the adoption of municipal tax rates
 30 under IC 6-3.6-6-22, applicable after 2028, or any other provision
 31 of law, the certified distribution methodology calculation for local
 32 income tax distributions made in 2028 shall continue for local
 33 income tax distributions made in 2029 and 2030 to account for the
 34 transition to any new tax rates.

35 (c) This SECTION expires June 30, 2031.

36 SECTION 184]. An emergency is declared for this act.]

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