
HOUSE BILL No. 1210

AM121073 has been incorporated into January 30, 2026 printing.

Synopsis: Department of local government finance.

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Reprinted
January 30, 2026

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

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

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

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2025 Regular Session of the General Assembly.

HOUSE BILL No. 1210

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

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

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

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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 this chapter.

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

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

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

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

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

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

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

(1) The lesser of:

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

or

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

(2) The lesser of:

(A) two hundred eighteen thousand seven hundred fifty dollars (\$218,750); or

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

(3) Except as provided in section 9(k) of this chapter, the remainder, if any, of:

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

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

must be paid to the city of East Chicago.

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(4) Except as provided in section 9(k) of this chapter, the remainder, if any, of:

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

(B) the amount distributed to the northwest Indiana regional development authority under subdivision (2) for the calendar quarter;

must be paid to Lake County.

(5) Except as provided in section 9(k) of this chapter, three percent (3%) of the admissions tax and supplemental wagering tax collected by the licensed owner during the preceding calendar quarter must be paid to the county convention and visitors bureau for Lake County.

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

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

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

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

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

(1) The lesser of:

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

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

(2) The lesser of:

(A) ~~two hundred eighteen thousand seven hundred fifty dollars (\$218,750);~~ **four hundred thirty-seven thousand five hundred dollars (\$437,500);** or

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

(3) Except as provided in section 9(k) of this chapter, the remainder, if any, of:

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

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

must be paid to the city of Gary.

(4) Except as provided in section 9(k) of this chapter, the remainder, if any, of:

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

(B) the amount distributed to the northwest Indiana regional development authority under subdivision (2) for the calendar quarter;

must be paid to Lake County.

(5) Except as provided in section 9(k) of this chapter, three percent (3%) of the admissions tax and supplemental wagering tax collected by the licensed owner of a riverboat operating in Gary during the preceding calendar quarter must be paid to the county convention and visitors bureau for Lake County.

(6) Except as provided in section 9(k) of this chapter, three

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hundred thirty-three thousandths percent (.333%) of the admissions tax and supplemental wagering tax collected by the licensed owner of a riverboat operating in Gary during the preceding calendar quarter must be paid to the northern Indiana law enforcement training center.

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

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

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

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

(1) The lesser of:

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

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

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

(2) The lesser of:

(A) two hundred eighteen thousand seven hundred fifty dollars (\$218,750); or

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

to the fiscal officer of the northwest Indiana regional

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development authority to partially satisfy Lake County's funding obligation to the authority under IC 36-7.5-4-2.

(3) Except as provided in section 9(k) of this chapter, the remainder, if any, of:

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

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

must be paid to the city of Hammond.

(4) Except as provided in section 9(k) of this chapter, the remainder, if any, of:

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

(B) the amount distributed to the northwest Indiana regional development authority under subdivision (2) for the calendar quarter;

must be paid to Lake County.

(5) Except as provided in section 9(k) of this chapter, three percent (3%) of the admissions tax and supplemental wagering tax collected by the licensed owner of the riverboat during the preceding calendar quarter must be paid to the county convention and visitors bureau for Lake County.

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

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

(8) Except as provided in section 9(k) of this chapter, three and thirty-three hundredths percent (3.33%) of the admissions tax and supplemental wagering tax collected by the licensed owner

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for each person admitted to the riverboat during the preceding calendar quarter must be paid to the division of mental health and addiction.

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

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

(1) remitted by a licensed owner operating a riverboat sited at a location approved under IC 4-33-6-4.5; and

(2) collected under this chapter after June 30, 2025.

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

(1) In each state fiscal year beginning after June 30, 2025, and ending before July 1, 2027, an amount equal to the amount deposited under IC 36-7.5-6-5(a) by the city of Gary in the blighted property demolition fund established by IC 36-7.5-6-4, up to three million dollars (\$3,000,000).

(2) In each state fiscal year beginning after June 30, 2025, and ending before July 1, 2045, an amount equal to the amount deposited under IC 36-7.5-7-5(c) by an entity in the Lake County economic development and convention fund established by IC 36-7.5-7-5, up to five million dollars (\$5,000,000).

(3) In each state fiscal year beginning after June 30, 2025, and ending before July 1, 2050, 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).

Any amount of tax revenue remitted under this chapter by a licensed owner operating a riverboat sited at a location approved under IC 4-33-6-4.5 in a state fiscal year that exceeds the amount required for the deposits in this subsection for the state fiscal year must be deposited in the state gaming fund under section 3 of this chapter.

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

(1) matched under subsection (b); and

(2) released to any of the following funds:

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

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

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

(d) 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 for the department to carry out this section.

(e) This section expires July 1, 2050.

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

SECTION 7. IC 4-33-13-5, AS AMENDED BY P.L.9-2024, SECTION 109, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. (a) This subsection does not apply to tax revenue remitted by an operating agent operating a riverboat in a historic hotel district. 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 deposited in the state gaming fund under this chapter to the following:

(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

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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, after June 30, 2026, 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, after June 30, 2026, the city of Gary);** or

(iii) Terre Haute. ~~or~~

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

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



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particular state fiscal year; and
(ii) sixty percent (60%) of the revenue shall be paid
to the city of Gary.

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

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

(A) In each state fiscal year beginning after June 30,
2025, and ending with the earlier of:

(i) the state fiscal year beginning July 1, 2044, and
ending June 30, 2045, however, if the required
review by the budget committee before the first
distribution under this clause does not occur until
the state fiscal year beginning July 1, 2026, and
ending June 30, 2027, then the state fiscal year
beginning July 1, 2045, and ending June 30, 2046, is
the applicable final state fiscal year under this item;
or

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

an amount equal to the amount deposited under



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

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

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

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

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

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

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

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



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1 **to carry out this subdivision. This subdivision expires July 1,**
 2 **2050.**

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

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

- 19 (1) For state fiscal years beginning after June 30, 2019, but
 20 ending before July 1, 2021, fifty-six and five-tenths percent
 21 (56.5%) shall be paid to the state general fund.
 22 (2) For state fiscal years beginning after June 30, 2021, fifty-six
 23 and five-tenths percent (56.5%) shall be paid as follows:

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

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

29 However, if:

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

32 (ii) in any part of a state fiscal year in which the
 33 operating agent has received at least one hundred
 34 million dollars (\$100,000,000) of adjusted gross
 35 receipts;

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

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

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

42 (i) Fifty percent (50%) to the fiscal officer of the town

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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 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

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executive.

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

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

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

(i) Beginning after December 31, 2017, ten percent (10%) of the amount transferred under this clause in each calendar year shall be transferred to the South Central Indiana Regional Economic Development Corporation or a successor entity or partnership for economic development for the purpose of recruiting new business to Orange County as well as promoting the retention and expansion of existing businesses in Orange County.

(ii) The remainder of the amount transferred under this clause in each calendar year shall be transferred to Radius Indiana or a successor regional entity or partnership for the development and implementation of a regional economic development strategy to assist the residents of Orange County and the counties contiguous to Orange County in improving their quality of life and to help promote successful and sustainable communities.

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

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

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

- (1) To reduce the property tax levy of the city, town, or county for a particular year (a property tax reduction under this subdivision does not reduce the maximum levy of the city, town, or county under IC 6-1.1-18.5).
- (2) For deposit in a special fund or allocation fund created under IC 8-22-3.5, IC 36-7-14, IC 36-7-14.5, IC 36-7-15.1, and IC 36-7-30 to provide funding for debt repayment.
- (3) To fund sewer and water projects, including storm water management projects.
- (4) For police and fire pensions.

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(5) To carry out any governmental purpose for which the money is appropriated by the fiscal body of the city, town, or county. Money used under this subdivision does not reduce the property tax levy of the city, town, or county for a particular year or reduce the maximum levy of the city, town, or county under IC 6-1.1-18.5.

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

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

(2) the sum of:

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

(B) the amount of any admissions taxes deducted under IC 6-3.1-20-7.

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

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

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

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

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

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

(2) 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 maximum amount is forty-eight million dollars (\$48,000,000).

(3) 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 fiscal year ending June 30, 2020, the maximum amount is equal to the result of:

(A) forty-eight million dollars (\$48,000,000); multiplied by

(B) 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.

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:

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- 1 (A) three million five hundred thousand dollars
 2 (\$3,500,000); minus
 3 (B) the amount of admissions taxes constructively received
 4 by the unit in the previous state fiscal year.

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

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

12 (1) must be paid to the fiscal officer of the political subdivision
 13 and may be deposited in the political subdivision's general fund
 14 (in the case of a school corporation, the school corporation may
 15 deposit the money into either the education fund (IC 20-40-2) or
 16 the operations fund (IC 20-40-18)) or riverboat fund established
 17 under IC 36-1-8-9, or both;

18 (2) may not be used to reduce the maximum levy under
 19 IC 6-1.1-18.5 of a county, city, or town or the maximum tax rate
 20 of a school corporation, but, except as provided in subsection
 21 (b)(3)(B), may be used at the discretion of the political
 22 subdivision to reduce the property tax levy of the county, city, or
 23 town for a particular year;

24 (3) except as provided in subsection (b)(3)(B), may be used for
 25 any legal or corporate purpose of the political subdivision,
 26 including the pledge of money to bonds, leases, or other
 27 obligations under IC 5-1-14-4; and

28 (4) is considered miscellaneous revenue.

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

31 (k) After June 30, 2020, the amount of wagering taxes that would
 32 otherwise be distributed to South Bend under subsection (d) shall be
 33 deposited as being received from all riverboats whose supplemental
 34 wagering tax, as calculated under IC 4-33-12-1.5(b), is over three and
 35 five-tenths percent (3.5%). The amount deposited under this
 36 subsection, in each riverboat's account, is proportionate to the
 37 supplemental wagering tax received from that riverboat under
 38 IC 4-33-12-1.5 in the month of July. The amount deposited under this
 39 subsection must be distributed in the same manner as the supplemental
 40 wagering tax collected under IC 4-33-12-1.5. This subsection expires
 41 June 30, 2021.

42 (l) After June 30, 2021, the amount of wagering taxes that would



otherwise be distributed to South Bend under subsection (d) shall be withheld and deposited in the state general fund.

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

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

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

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

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

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

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

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

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

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

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

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

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

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- 1 (1) the amount deducted under subsection (e) in the preceding
 2 month; and
 3 (2) one-twelfth (1/12) of the amount appropriated from the state
 4 general fund under subsection (k).
 5 (g) Money for the supplemental payments is sourced from:
 6 (1) the total amount deducted under subsection (e) in the state
 7 fiscal year; plus
 8 (2) money appropriated by the general assembly for the state
 9 fiscal year for the purpose of making supplemental payments
 10 under this section.
 11 (h) The state comptroller shall make a supplemental payment in
 12 each state fiscal year to each qualified city in an amount determined
 13 under the last STEP of the following formula:
 14 STEP ONE: Divide the:
 15 (A) total amount determined under subsection (d) for the
 16 qualified city; by
 17 (B) aggregate amount of supplemental payments for all
 18 qualified cities determined under subsection (d).
 19 STEP TWO: Multiply the:
 20 (A) STEP ONE result; by
 21 (B) amount of money to be used for supplemental payments
 22 in the state fiscal year under subsections (f) and (g).
 23 (i) A qualified city may not receive a supplemental payment in
 24 excess of the amount determined under subsection (d) for the qualified
 25 city.
 26 (j) The total amount of supplemental payments made to qualified
 27 cities in all state fiscal years may not exceed the aggregate amount of
 28 supplemental payments determined under subsection (d).
 29 (k) There is appropriated from the state general fund to the gaming
 30 fund two million dollars (\$2,000,000) in each state fiscal year
 31 beginning after June 30, 2026, which may only be used to make
 32 supplemental payments. Any amount not needed to make a
 33 supplemental payment in a state fiscal year reverts to the state general
 34 fund at the close of the state fiscal year and may not be used for any
 35 other purpose.
 36 (l) After the total amount of all supplemental payments to
 37 qualified cities determined in subsection (d) have been made under this
 38 chapter, the state comptroller shall continue, each month, **after**
 39 **deducting the amount required under section 5(a)(2)(C)(i) of this**
 40 **chapter**, to deduct an amount otherwise payable to Gary under section
 41 ~~5(a)(2)~~ **5(a)(2)(C)** of this chapter as set forth in subsection (e) not to
 42 exceed a total of two million dollars (\$2,000,000) for the state fiscal

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year for the purpose of repaying to the state the total amounts appropriated from the state general fund under subsection (k) and paid to qualified cites as supplemental payments under this chapter. The state comptroller shall cease the deductions under this subsection on the date that the total amounts appropriated from the state general fund under subsection (k) and paid to qualified cites have been repaid.

(m) This section expires July 1, 2039.

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

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

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

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

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

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

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

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

(h) The municipal entity shall publish a contract entered into

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1 **with a municipal adviser in a prominent location on the municipal**
 2 **entity's website and on the department of local government**
 3 **finance's computer gateway.**

4 SECTION 10. IC 5-14-3.8-3, AS AMENDED BY P.L.1-2025,
 5 SECTION 66, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 6 JULY 1, 2026]: Sec. 3. The department, ~~working with the office of~~
 7 ~~technology established by IC 4-13.1-2-1, or another organization that~~
 8 ~~is part of a state educational institution,~~ the office of management and
 9 budget established by IC 4-3-22-3, and the state board of accounts
 10 established by IC 5-11-1-1 shall post on the Indiana transparency
 11 website the following:

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

32 SECTION 11. IC 5-14-3.8-7, AS AMENDED BY P.L.137-2012,
 33 SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 34 JULY 1, 2026]: Sec. 7. The department may require that prescribed
 35 forms be submitted in an electronic format. The department ~~working~~
 36 ~~with the office of technology established by IC 4-13.1-2-1 or another~~
 37 ~~organization that is part of a state educational institution,~~ shall develop
 38 and maintain a secure, web based system that facilitates electronic
 39 submission of the forms under this section. Political subdivisions shall
 40 submit forms under this section through the web based system as
 41 prescribed by the department.

42 SECTION 12. IC 6-1.1-1-8.7 IS AMENDED TO READ AS

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FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 8.7. "Mobile home" has the meaning set forth in ~~IC 6-1.1-7-1~~. **IC 9-13-2-103.2. The term includes a manufactured home (as defined in IC 9-13-2-96(a)).**

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

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

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

SECTION 14. IC 6-1.1-3-17, AS AMENDED BY P.L.232-2017, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2026 (RETROACTIVE)]: Sec. 17. (a) On or before June 1 of each year, each township assessor (if any) of a county shall deliver to the county assessor a list which states by taxing district the total of

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the personal property assessments as shown on the personal property returns filed with the township assessor on or before the filing date of that year and in a county with a township assessor under IC 36-6-5-1 in every township the township assessor shall deliver the lists to the county auditor as prescribed in subsection (b).

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

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

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

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

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

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

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- 1 (1) Promote uniform and equal assessment of real property
- 2 within and across classifications.
- 3 (2) Require that assessing officials:
 - 4 (A) reevaluate the factors that affect value;
 - 5 (B) express the interactions of those factors mathematically;
 - 6 (C) use mass appraisal techniques to estimate updated
 - 7 property values within statistical measures of accuracy; and
 - 8 (D) provide notice to taxpayers of an assessment increase
 - 9 that results from the application of annual adjustments.
- 10 (3) Prescribe procedures that permit the application of the
- 11 adjustment percentages in an efficient manner by assessing
- 12 officials.
- 13 (d) The department of local government finance must review and
- 14 certify each annual adjustment determined under this section.
- 15 (e) For an assessment beginning after December 31, 2022,
- 16 agricultural improvements such as but not limited to barns, grain bins,
- 17 or silos on land assessed as agricultural shall not be adjusted using
- 18 factors, such as neighborhood delineation, that are appropriate for use
- 19 in adjusting residential, commercial, and industrial real property. Those
- 20 portions of agricultural parcels that include land and buildings not used
- 21 for an agricultural purpose, such as homes, homesites, and excess
- 22 residential land and commercial or industrial land and buildings, shall
- 23 be adjusted by the factor or factors developed for other similar property
- 24 within the geographic stratification. The residential portion of
- 25 agricultural properties shall be adjusted by the factors applied to
- 26 similar residential purposes.
- 27 (f) In making the annual determination of the base rate to satisfy
- 28 the requirement for an annual adjustment for each assessment date, the
- 29 department of local government finance shall, not later than March 1
- 30 of each year, determine the base rate using the methodology reflected
- 31 in Table 2-18 of Book 1, Chapter 2 of the department of local
- 32 government finance's Real Property Assessment Guidelines (as in
- 33 effect on January 1, 2005), except that the department shall adjust the
- 34 methodology as follows:
 - 35 (1) Use a six (6) year rolling average adjusted under subdivision
 - 36 (3) instead of a four (4) year rolling average.
 - 37 (2) Use the data from the six (6) most recent years preceding the
 - 38 year in which the assessment date occurs for which data is
 - 39 available, before one (1) of those six (6) years is eliminated
 - 40 under subdivision (3) when determining the rolling average.
 - 41 (3) Eliminate in the calculation of the rolling average the year
 - 42 among the six (6) years for which the highest market value in use

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of agricultural land is determined.

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

(A) If the preliminary base rate for the assessment date would be at least ten percent (10%) greater than the final 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

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

(b) The county assessor shall:

(1) maintain an electronic data file of:

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

(B) the personal property return characteristics and assessments by return; for each township in the county as of each assessment date;

(2) maintain the electronic file in a form that formats the information in the file with the standard data, field, and record coding required and approved by:

(A) the legislative services agency; and

(B) the department of local government finance;

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

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

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

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

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

(3) before ~~September 1~~ **July 1** of each year, transmit the data in the file with respect to the assessment date of that year to the



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geographic information office of the office of technology.

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

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

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

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

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

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

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

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

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

(c) **If the county assessor fails to certify to the county auditor and the department of local government finance a detailed list of the real property on or before July 1 in accordance with subsection (b), then the county assessor shall, on or before July 1 of the same**

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calendar year, provide electronic notice to the county auditor, the county fiscal body, the department of local government finance, and each political subdivision in the county subject to IC 6-1.1-17-16. The electronic notice must include a written statement acknowledging noncompliance and detail the reasons why the statutory deadline set forth in subsection (b) was not met.

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

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

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

- (1) is factory assembled;
- (2) is transportable;
- (3) is intended for year around occupancy;
- (4) exceeds thirty-five (35) feet in length; and
- (5) is designed either for transportation on its own chassis or placement on a temporary foundation. **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 19. IC 6-1.1-7-10.4, AS AMENDED BY P.L.118-2022, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 10.4. (a) This section does not apply to a mobile home that is offered for sale at auction under IC 9-22-1.5 or IC 9-22-1.7 for the transfer resulting from the auction.

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

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

SECTION 20. IC 6-1.1-8-24.5, AS AMENDED BY P.L.230-2025,

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SECTION 22, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2026 (RETROACTIVE)]: Sec. 24.5. The department of local government finance shall annually determine and release a solar land base rate for the north region, the central region, and the south region of the state as follows:

(1) For each region, the department shall determine the median true tax value per acre of all land in the region classified under the utility property class codes of the department of local government finance for the immediately preceding assessment date. ~~For purposes of these determinations, the department shall exclude 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.~~

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

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

Chapter 10.2. Exemptions for Indiana Nonprofit Senior Living Communities

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

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

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

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

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

SECTION 22. IC 6-1.1-10.3-3, AS AMENDED BY P.L.68-2025,

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

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

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

- (1) inventory; or
- (2) real property;

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

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

SECTION 25. IC 6-1.1-10.5-5, AS ADDED BY P.L.23-2024, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. As used in this chapter, "mobile home" has the meaning set forth in ~~IC 6-1.1-7-1(b)~~ **IC 9-13-2-103.2. The term includes a manufactured home (as defined in IC 9-13-2-96(a)).**

SECTION 26. IC 6-1.1-12-13, AS AMENDED BY P.L.230-2025, SECTION 31, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2026 (RETROACTIVE)]: Sec. 13. (a) Except as provided in section 40.5 of this chapter, an individual may have twenty-four thousand nine hundred sixty dollars (\$24,960) deducted from the assessed value of the taxable tangible property that the individual owns, or real property, a mobile home not assessed as real property, or a 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 if:

- (1) the individual served in the military or naval forces of the United States during any of its wars;
- (2) the individual received an honorable discharge;
- (3) the individual has a disability with a service connected disability of ten percent (10%) or more;

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

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

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

(5) the individual:

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

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

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

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

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

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

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

(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



1 this chapter, an individual may have ~~the sum of fourteen thousand~~
 2 ~~dollars (\$14,000)~~ **one hundred percent (100%) of the assessed value**
 3 deducted from the assessed value of the real property, mobile home not
 4 assessed as real property, or manufactured home not assessed as real
 5 property that the individual owns (or the real property, mobile home
 6 not assessed as real property, or manufactured home not assessed as
 7 real property that the individual is buying under a contract that
 8 provides that the individual is to pay property taxes on the real
 9 property, mobile home, or manufactured home if the contract or a
 10 memorandum of the contract is recorded in the county recorder's office)
 11 **and uses as the individual's principal place of residence if:**

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

14 (2) the individual received an honorable discharge;

15 (3) the individual ~~either:~~

16 ~~(A) has a total disability; or~~

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

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

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

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

28 (5) the individual:

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

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

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

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

38 (b) ~~Except as provided in subsections (c) and (d);~~ The surviving
 39 spouse of an individual may receive the deduction provided by this
 40 section if

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



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(2) the individual:

(A) was killed in action;

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

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

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

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

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

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

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

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

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

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

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(1) December 31, 2019; or

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

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

(b) An individual may claim a deduction from the assessed value of the individual's homestead 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 has a disability of at least fifty percent (50%);
- (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 homestead was conveyed without charge to the individual who is the owner of the homestead by an organization that is exempt from income taxation under the federal Internal Revenue Code.

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

- (1) If the individual is totally disabled, the deduction is equal to one hundred percent (100%) of the assessed value of the homestead.
- (2) If the individual has a disability of at least ninety percent (90%) but the individual is not totally disabled, the deduction is equal to ninety percent (90%) of the assessed value of the homestead.

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

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

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

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

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

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

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

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

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

~~(2) (1) a pension certificate or an award of compensation issued~~

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by the United States Department of Veterans Affairs if the individual claims the deduction provided by section 14 of this chapter; or

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

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

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

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

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

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

(3) the surviving spouse:

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

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

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1 on the date the statement required by section 17 of this chapter
2 is filed.

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

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

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

17 ~~(e) This section expires January 1, 2027.~~

18 SECTION 31. IC 6-1.1-12-17, AS AMENDED BY P.L.68-2025,
19 SECTION 29, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
20 JANUARY 1, 2025 (RETROACTIVE)]: Sec. 17. ~~(a)~~ Except as
21 provided in section 17.8 of this chapter and subject to section 45 of this
22 chapter, a surviving spouse who desires to claim the deduction
23 provided by section 16 of this chapter must file a statement with the
24 auditor of the county in which the surviving spouse resides. To obtain
25 the deduction for a desired calendar year in which property taxes are
26 first due and payable, the statement must be completed, dated, and filed
27 with the county auditor on or before January 15 of the calendar year in
28 which the property taxes are first due and payable. The statement may
29 be filed in person or by mail. If mailed, the mailing must be postmarked
30 on or before the last day for filing. The statement shall contain:

31 (1) a sworn statement that the surviving spouse is entitled to the
32 deduction; and

33 (2) the record number and page where the contract or
34 memorandum of the contract is recorded, if the individual is
35 buying the real property on a contract that provides that the
36 individual is to pay property taxes on the real property.

37 In addition to the statement, the surviving spouse shall submit to the
38 county auditor for the auditor's inspection a letter or certificate from the
39 United States Department of Veterans Affairs establishing the service
40 of the deceased spouse in the military or naval forces of the United
41 States before November 12, 1918.

42 ~~(b) This section applies only to property taxes imposed for an~~

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assessment date before January 1, 2025:

(c) ~~This section expires January 1, 2027.~~

SECTION 32. IC 6-1.1-12-17.8, AS AMENDED BY THE TECHNICAL CORRECTIONS BILL OF THE 2026 GENERAL ASSEMBLY, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2025 (RETROACTIVE)]: Sec. 17.8. (a) An individual who receives a deduction provided under section 9 (before its expiration), 11 (before its expiration), 13 (**before its expiration**), 14, 16, (~~before its expiration~~), 17.4 (before its expiration), or 37 of this chapter in a particular year and who remains eligible for the deduction in the following year is not required to file a statement to apply for the deduction in the following year. However, for purposes of a deduction under section 37 of this chapter, the county auditor may, in the county auditor's discretion, terminate the deduction for assessment dates after January 15, 2012, if the individual does not comply with the requirement in IC 6-1.1-22-8.1(b)(9) (expired January 1, 2015), as determined by the county auditor, before January 1, 2013. Before the county auditor terminates the deduction because the taxpayer claiming the deduction did not comply with the requirement in IC 6-1.1-22-8.1(b)(9) (expired January 1, 2015) before January 1, 2013, the county auditor shall mail notice of the proposed termination of the deduction to:

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

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

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

(c) The auditor of each county shall, in a particular year, apply a deduction provided under section 9 (before its expiration), 11 (before its expiration), 13 (**before its expiration**), 14, 16, (~~before its~~

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~~expiration~~); 17.4 (before its expiration), or 37 of this chapter to each individual who received the deduction in the preceding year unless the auditor determines that the individual is no longer eligible for the deduction.

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

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

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

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

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

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

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

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

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

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

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

(g) An individual who:

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

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

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

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2013, the county auditor shall mail notice of the proposed termination of the deduction to the last known address of each person liable for any property taxes or special assessment, as shown on the tax duplicate or special assessment records, or to the last known address of the most recent owner shown in the transfer book.

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

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

(j) A surviving spouse who received the deduction provided by section 16 of this chapter for the January 1, 2024, assessment date is not required to file a statement to reapply for the deduction to receive the deduction for the January 1, 2025, assessment date. The county auditor shall apply the deduction provided by section 16 of this chapter for the surviving spouse for the January 1, 2025, assessment date on the surviving spouse's property tax statement for property taxes first due and payable in 2026.

SECTION 33. IC 6-1.1-12-17.9, AS AMENDED BY P.L.230-2025, SECTION 36, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2026 (RETROACTIVE)]: Sec. 17.9. A trust is entitled to a deduction under section 9 (before its expiration), 11 (before its expiration), 13 (**before its expiration**), ~~14~~, 16, (~~before its expiration~~), or 17.4 (before its expiration) of this chapter for real property owned by the trust and occupied by an individual if the county auditor determines that the individual:

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

(A) a beneficial interest in the trust; or

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

(2) otherwise qualifies for the deduction.

SECTION 34. IC 6-1.1-12-37, AS AMENDED BY THE TECHNICAL CORRECTIONS BILL OF THE 2026 GENERAL ASSEMBLY, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE



JULY 1, 2026]: Sec. 37. (a) The following definitions apply throughout this section:

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

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

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

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

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

(A) that is located in Indiana;

(B) that:

(i) the individual owns;

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

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

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

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

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

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

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

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

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

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

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

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

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

- 28 (1) for assessment dates before January 1, 2025, the lesser of:
 29 (A) sixty percent (60%) of the assessed value of the real
 30 property, mobile home not assessed as real property, or
 31 manufactured home not assessed as real property; or
 32 (B) forty-eight thousand dollars (\$48,000); or
 33 (2) for assessment dates after December 31, 2024:
 34 (A) in 2025, forty-eight thousand dollars (\$48,000);
 35 (B) in 2026, forty thousand dollars (\$40,000);
 36 (C) in 2027, thirty thousand dollars (\$30,000);
 37 (D) in 2028, twenty thousand dollars (\$20,000); and
 38 (E) in 2029, ten thousand dollars (\$10,000).

39 Beginning with the 2030 assessment date, and each assessment date
 40 thereafter, the deduction amount under this section is zero (0).
 41 Application of the phase down under this section for assessment dates
 42 after December 31, 2024, with regard to mobile homes that are not



1 assessed as real property and manufactured homes not assessed as real
 2 property shall be construed and applied in the same manner in terms of
 3 timing and consistent with its application for real property.

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

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

17 (1) the parcel number or key number of the property and the
 18 name of the city, town, or township in which the property is
 19 located;

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

23 (3) the names of:

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

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

29 (ii) that they use as their legal names when they sign
 30 their names on legal documents;

31 if the applicant is an individual; or

32 (B) each individual who qualifies property as a homestead
 33 under subsection (a)(2)(B) and the individual's spouse (if
 34 any):

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

39 (ii) that they use as their legal names when they sign
 40 their names on legal documents;

41 if the applicant is not an individual; and

42 (4) either:

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(A) the last five (5) digits of the applicant's Social Security number and the last five (5) digits of the Social Security number of the applicant's spouse (if any); or

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

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

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

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

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

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

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

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

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

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

(1) changes the use of the individual's property so that part or all

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1 of the property no longer qualifies for the deduction under this
 2 section; or

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

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

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

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

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

28 (i) This subsection does not apply to property in the first year for
 29 which a deduction is claimed under this section if the sole reason that
 30 a deduction is claimed on other property is that the individual or
 31 married couple maintained a principal residence at the other property
 32 on the assessment date in the same year in which an application for a
 33 deduction is filed under this section or, if the application is for a
 34 homestead that is assessed as personal property, on the assessment date
 35 in the immediately preceding year and the individual or married couple
 36 is moving the individual's or married couple's principal residence to the
 37 property that is the subject of the application. Except as provided in
 38 subsection (l), the county auditor may not grant an individual or a
 39 married couple a deduction under this section if:

40 (1) the individual or married couple, for the same year, claims
 41 the deduction on two (2) or more different applications for the
 42 deduction; and



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

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

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

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

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

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

41 (B) That neither the individual nor the individual's spouse
 42 has an ownership interest in the other's principal place of



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1 residence.

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

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

14 (m) If:

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

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

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

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

32 (1) either:

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

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

40 (2) on the assessment date:

41 (A) the property on which the homestead is currently
42 located was vacant land; or



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1 (B) the construction of the dwelling that constitutes the
 2 homestead was not completed; and

3 (3) either:

4 (A) the individual files the certified statement required by
 5 subsection (e); or

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

10 An individual who satisfies the requirements of subdivisions (1)
 11 through (3) is entitled to the deduction under this section for the
 12 homestead for the assessment date, even if on the assessment date the
 13 property on which the homestead is currently located was vacant land
 14 or the construction of the dwelling that constitutes the homestead was
 15 not completed. The county auditor shall apply the deduction for the
 16 assessment date and for the assessment date in any later year in which
 17 the homestead remains eligible for the deduction. A homestead that
 18 qualifies for the deduction under this section as provided in this
 19 subsection is considered a homestead for purposes of section 37.5 of
 20 this chapter and IC 6-1.1-20.6.

21 (o) This subsection applies to an application for the deduction
 22 provided by this section that is filed for an assessment date occurring
 23 after December 31, 2013. Notwithstanding any other provision of this
 24 section, an individual buying a mobile home that is not assessed as real
 25 property or a manufactured home that is not assessed as real property
 26 under a contract providing that the individual is to pay the property
 27 taxes on the mobile home or manufactured home is not entitled to the
 28 deduction provided by this section unless the parties to the contract
 29 comply with IC 9-17-6-17.

30 (p) This subsection:

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

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

35 The owner of a mobile home that is not assessed as real property or a
 36 manufactured home that is not assessed as real property must attach a
 37 copy of the owner's title to the mobile home or manufactured home to
 38 the application for the deduction provided by this section.

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

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



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(2) was ordered to transfer to a location outside Indiana; and
 (3) was otherwise eligible, without regard to this subsection, for the deduction under this section for the property for the assessment date immediately preceding the transfer date specified in the order described in subdivision (2).

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

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

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

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

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

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

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

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

(4) The individual residing on the property is a shareholder,



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partner, or member of the entity that owns the property.

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

SECTION 35. IC 6-1.1-12-43, AS AMENDED BY P.L.230-2025, SECTION 37, AND AS AMENDED BY P.L.186-2025, SECTION 292, AND AS AMENDED BY THE TECHNICAL CORRECTIONS BILL OF THE 2026 GENERAL ASSEMBLY, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2025 (RETROACTIVE)]: Sec. 43. (a) For purposes of this section:

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

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

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

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

(A) first lien purchase money mortgage transaction; or

(B) refinancing transaction.

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

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

(1) on one (1) side:

(A) list each benefit; and

(B) list the eligibility criteria for each benefit;

(2) on the other side indicate:

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

(B) sufficient instructions and information to permit a party to terminate a standard deduction under section 37 of this chapter on any property on which the party or the spouse of the party will no longer be eligible for the standard deduction under section 37 of this chapter after the party or

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- 1 the party's spouse begins to reside at the property that is the
 2 subject of the closing, including an explanation of the tax
 3 consequences and applicable penalties, if a party unlawfully
 4 claims a standard deduction under section 37 of this
 5 chapter; and
 6 (3) be printed in one (1) of two (2) or more colors prescribed by
 7 the department of local government finance that distinguish the
 8 form from other documents typically used in a closing referred
 9 to in subsection (b).
 10 (d) A closing agent:
 11 (1) may reproduce the form referred to in subsection (c);
 12 (2) in reproducing the form, must use a print color prescribed by
 13 the department of local government finance; and
 14 (3) is not responsible for the content of the form referred to in
 15 subsection (c) and shall be held harmless by the department of
 16 local government finance from any liability for the content of the
 17 form.
 18 *(e) This subsection applies to a transaction that is closed after*
 19 *December 31, 2009: In addition to providing the customer the form*
 20 *described in subsection (c) before closing the transaction, a closing*
 21 *agent shall do the following as soon as possible after the closing, and*
 22 *within the time prescribed by the department of insurance under*
 23 *IC 27-7-3-15.5:*
 24 *(1) To the extent determinable, input the information described*
 25 *in IC 27-7-3-15.5(c)(2) into the system maintained by the*
 26 *department of insurance under IC 27-7-3-15.5.*
 27 *(2) Submit the form described in IC 27-7-3-15.5(c) to the data*
 28 *base described in IC 27-7-3-15.5(c)(2)(D).*
 29 *(f) A closing agent to which this section applies shall document*
 30 *the closing agent's compliance with this section with respect to each*
 31 *transaction in the form of verification of compliance signed by the*
 32 *customer.*
 33 *(g) Subject to IC 27-7-3-15.5(d), a closing agent is subject to a*
 34 *civil penalty of twenty-five dollars (\$25) for each instance in which the*
 35 *closing agent fails to comply with this section with respect to a*
 36 *customer. The penalty:*
 37 *(1) may be enforced by the state agency that has administrative*
 38 *jurisdiction over the closing agent in the same manner that the*
 39 *agency enforces the payment of fees or other penalties payable*
 40 *to the agency; and*
 41 *(2) shall be paid into:*
 42 *(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 36. IC 6-1.1-12-46, AS AMENDED BY P.L.230-2025,
 SECTION 38, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 JANUARY 1, 2025 (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
 assessment date;
- (3) the transferee of the real property applies for an exemption
 under IC 6-1.1-11 for the next succeeding assessment date; and
- (4) the county property tax assessment board of appeals
 determines that the real property is exempt from property
 taxation for that next succeeding assessment date.

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

- (1) IC 6-1.1-12-1 (before its repeal).
- (2) IC 6-1.1-12-9 (before its expiration).
- (3) IC 6-1.1-12-11 (before its expiration).
- (4) IC 6-1.1-12-13 **(before its expiration).**
- (5) IC 6-1.1-12-14.
- (6) IC 6-1.1-12-16. ~~(before its expiration).~~

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

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

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

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

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

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

SECTION 37. IC 6-1.1-12.6-2, AS ADDED BY P.L.70-2008, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2026 (RETROACTIVE)]: Sec. 2. (a) This section applies only to a model residence that is first assessed as:

(1) a partially completed structure; or

(2) a fully completed structure;

for the assessment date in 2009 or a later year.

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

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

(2) The assessment date for which the model residence is first assessed as a fully completed structure.

(3) The two (2) assessment dates that immediately succeed the assessment date referred to in subdivision (2).

(c) A deduction allowed for a model residence under this chapter for a particular assessment date is terminated if the model residence is sold:

(1) after the assessment date of that year but before January 1 of the following year; and

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

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

SECTION 38. IC 6-1.1-12.6-4, AS ADDED BY P.L.70-2008, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE

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JANUARY 1, 2026 (RETROACTIVE)]: Sec. 4. (a) Subject to section 8 of this chapter, a property owner is entitled to a deduction under this chapter for an assessment date for not more than ~~three (3)~~ **seven (7)** model residences in Indiana.

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

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

SECTION 39. IC 6-1.1-12.6-8, AS ADDED BY P.L.70-2008, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2026 (RETROACTIVE)]: Sec. 8. The aggregate number of deductions claimed under this chapter for a particular assessment date by the owners of model residences who are a part of an affiliated group may not exceed ~~three (3)~~ **seven (7)**.

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

(1) a partially completed structure; or

(2) a fully completed structure;

for the assessment date in 2012 or a later year.

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

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

(2) The assessment date for which the residence in inventory is first assessed as a fully completed structure.

(3) The two (2) assessment dates that immediately succeed the assessment date referred to in subdivision (2).

(c) A deduction allowed for a residence in inventory under this

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chapter for a particular assessment date is terminated if title to the residence in inventory is transferred:

- (1) after the assessment date of that year but before January 1 of the following year; and
- (2) to a person for whom the real property does not qualify as a residence in inventory.

The county auditor shall immediately mail notice of the termination to the former owner, the property owner, and the township assessor (or the county assessor if there is no township assessor for the township). The county auditor shall remove the deduction from the tax duplicate and shall notify the county treasurer of the termination of the deduction.

(d) A deduction for a residence in inventory under this chapter does not apply for a particular assessment date if the residence in inventory is leased for any purpose for any part of the calendar year in which the assessment date occurs.

SECTION 41. IC 6-1.1-12.8-4, AS AMENDED BY P.L. 136-2024, SECTION 19, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2026 (RETROACTIVE)]: Sec. 4. (a) A property owner that qualifies for the deduction under this chapter and that desires to receive the deduction for a calendar year must complete and date a statement containing the information required by subsection (b) and file the statement with the county auditor on or before January 15 of the immediately succeeding calendar year. The township assessor, or the county assessor if there is no township assessor for the township, shall verify each statement filed under this section, and the county auditor shall:

- (1) make the deductions; and
- (2) notify the county property tax assessment board of appeals of all deductions approved;

under this section.

(b) The statement referred to in subsection (a) must be verified under penalties for perjury and must contain the following information:

- (1) The assessed value of the real property for which the person is claiming the deduction.
- (2) The full name and complete business address of the person claiming the deduction.
- (3) The complete address and a brief description of the real property for which the person is claiming the deduction.
- (4) The name of any other county in which the person has applied for a deduction under this chapter for that assessment date.
- (5) The complete address and a brief description of any other

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real property for which the person has applied for a deduction under this chapter for that assessment date.

(6) An affirmation by the owner that the owner is receiving not more than ~~three (3)~~ **seven (7)** deductions under this chapter, including the deduction being applied for by the owner, either:

(A) as the owner of the residence in inventory; or

(B) as an owner that is part of an affiliated group.

(7) An affirmation that the real property has not been leased and will not be leased for any purpose during the term of the deduction.

SECTION 42. IC 6-1.1-12.8-9, AS ADDED BY P.L.175-2011, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2026 (RETROACTIVE)]: Sec. 9. (a) Subject to section 10 of this chapter, a property owner is entitled to a deduction under this chapter for an assessment date for not more than ~~three (3)~~ **seven (7)** residences in inventory in Indiana.

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

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

SECTION 43. IC 6-1.1-12.8-10, AS ADDED BY P.L.175-2011, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2026 (RETROACTIVE)]: Sec. 10. The aggregate number of deductions claimed under this chapter for a particular assessment date by the owners of residences in inventory who are a part of an affiliated group may not exceed ~~three (3)~~ **seven (7)**.

SECTION 44. IC 6-1.1-17-1, AS AMENDED BY P.L.230-2025, SECTION 41, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2026 (RETROACTIVE)]: Sec. 1. (a) On or before August 1 of each year, the county auditor shall submit a certified statement of the assessed value for the ensuing year to the department of local government finance in the manner prescribed by the department.

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

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

(1) September 1;

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

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

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

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

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

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

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

The county auditor may appeal to the department of local government finance to include the amount of assessed value under appeal within a

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taxing district for that calendar year:

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

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

SECTION 45. IC 6-1.1-17-5.4, AS AMENDED BY P.L.230-2025, SECTION 42, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 5.4. (a) Not later than March 2 of each year, the fiscal officer of a political subdivision shall submit a statement to the department of local government finance attesting that the political subdivision uploaded any contract entered into during the immediately preceding year:

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

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

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

SECTION 46. IC 6-1.1-18-28, AS AMENDED BY P.L.236-2023, SECTION 28, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 28. (a) **This section applies to a township if:**

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

(2) the sum of all adjustments determined under STEP THREE of subsection (c) for the petition or petitions



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described in subdivision (1) equals fifteen-hundredths (0.15);
and
(3) the percentage growth in the township's assessed value
for the preceding year compared to the year immediately
before the preceding year is:

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

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

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

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

STEP ONE: Determine the percentage increase in the
population, as determined by the township fiscal body and as
may be prescribed by the department of local government
finance, that is within the fire protection and emergency services
area of the township during the ten (10) year period immediately
preceding the year in which the petition is submitted under
subsection ~~(a)~~ (b). The township fiscal 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%);

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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 township's property tax rate or rates for its township firefighting and emergency services fund, township firefighting fund, or township emergency services fund, as applicable, within the immediately preceding ten (10) year period that was made based on a petition submitted by the township under this section.

~~(c)~~ (d) 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 combined levies for the township firefighting fund and township emergency services fund described in IC 36-8-13-4(a)(2) 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 township firefighting and emergency services fund under IC 36-8-13-4(a)(1) or the combined levies for the township firefighting fund and township emergency services fund described in IC 36-8-13-4(a)(2), as applicable, without regard to this section; plus

(2) an amount equal to the result of:

(A) the rate determined under the formula in subsection ~~(b)~~;

~~(c)~~; multiplied by

(B) the net assessed value of the fire protection and emergency services area divided by one hundred (100).

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

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

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(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).

STEP TWO: Determine the lesser of:

(A) twenty-hundredths (0.20); or

(B) the STEP ONE result.

SECTION 47. IC 6-1.1-18-29 IS REPEALED [EFFECTIVE UPON PASSAGE]. 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



1 valorem property tax levy for property taxes first due and payable in
 2 2021 or for any year thereafter for which a petition is submitted under
 3 this section:

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

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

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

20 (A) the STEP ONE percentage, minus

21 (B) six percent (6%);

22 expressed as a decimal.

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

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

25 (B) the STEP TWO result.

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

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

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

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

37 (A) the rate determined under the formula in subsection (b);
 38 multiplied by

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

41 The calculation under this subsection shall be used in the determination
 42 of the fire protection district's maximum permissible ad valorem

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property tax levy for property taxes first due and payable in the first year of the increase and thereafter.

SECTION 48. IC 6-1.1-18-29.5 IS REPEALED [EFFECTIVE UPON PASSAGE]. Sec. 29.5: (a) The executive of a unit serving as the provider unit of a fire protection territory may, upon approval by the provider unit's fiscal body, submit a petition to the department of local government finance for an increase in the fire protection territory's maximum permissible ad valorem property tax levy for its fire protection territory fund under IC 36-8-19-8 for property taxes first due and payable in 2023 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, 2022, or April 1 of a year thereafter, the department of local government finance shall increase the fire protection territory's maximum permissible ad valorem property tax levy for the fire protection territory fund under IC 36-8-19-8 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 provider unit's fiscal body and as may be prescribed by the department of local government finance, that is within the fire protection territory area during the ten (10) year period immediately preceding the year in which the petition is submitted under subsection (a). The provider unit's fiscal 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 territory's property tax rate for its fire protection territory fund within the immediately preceding ten (10) year period that was made based on a petition submitted by the fire protection territory under this section.

(c) The fire protection territory's maximum permissible ad valorem property tax levy for its fire protection territory fund under IC 36-8-19-8 for property taxes first due and payable in a given year;

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as adjusted under this section; shall be calculated as:

- (1) the amount of the ad valorem property tax levy increase for the fire protection territory fund without regard to this section; plus
- (2) an amount equal to the result of:
 - (A) the rate determined under the formula in subsection (b); multiplied by
 - (B) the net assessed value of the fire protection territory area divided by one hundred (100).

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

SECTION 49. IC 6-1.1-18.5-7, AS AMENDED BY P.L. 159-2020, SECTION 32, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2026 (RETROACTIVE)]: Sec. 7. (a) A civil taxing unit is not subject to the levy limits imposed by section 3 of this chapter for an ensuing calendar year if the civil taxing unit did not ~~adopt an ad valorem property tax levy for the immediately preceding calendar year.~~ **exist as of January 1 in the calendar year that immediately precedes the ensuing calendar year.**

(b) If under subsection (a) a civil taxing unit is not subject to the levy limits imposed under section 3 of this chapter for an ensuing calendar year, the civil taxing unit shall, ~~before June 30 of in the immediately preceding year, refer its proposed~~ **adopt its** budget, ad valorem property tax levy, and property tax rate for the ensuing calendar year ~~to and file the adopted budget, ad valorem property tax levy, and property tax rate with the department of local government finance as required by IC 6-1.1-17-5.~~ **to ensure the adopted budget is fundable based on the civil taxing unit's adopted tax levy and estimates of available revenues. If the adopted budget is fundable, the department of local government finance shall certify the adopted ad valorem property tax levy for the ensuing calendar year.** However, a civil taxing unit may not impose a property tax levy for an ensuing calendar year if the unit did not exist as of January 1 of the immediately preceding year.

(c) This subsection does not apply to an ad valorem property tax levy imposed by a civil taxing unit for fire protection services within a fire protection territory under IC 36-8-19. In determining a budget, ad

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valorem property tax levy, and property tax rate under subsection (b), the department shall consider the effect of a property tax levy on a local income tax distribution to the civil taxing unit under IC 6-3.6-6.

SECTION 50. IC 6-1.1-18.5-9.8, AS AMENDED BY P.L.184-2016, SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 9.8. (a) For purposes of determining the property tax levy limit imposed on a city, town, or county under section 3 of this chapter, the city, town, or county's ad valorem property tax levy for a particular calendar year does not include an amount equal to the amount of ad valorem property taxes that would be first due and payable to the city, town, or county during the ensuing calendar year if the taxing unit imposed ~~the maximum permissible~~ **a certified** property tax rate per one hundred dollars (\$100) of assessed valuation that the civil taxing unit may impose for the particular calendar year under the authority of IC 36-9-14.5 (in the case of a county) or IC 36-9-15.5 (in the case of a city or town).

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

SECTION 51. IC 6-1.1-18.5-33 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 33. (a) This section applies only to Miami Township in Cass County.**

(b) Subject to subsection (c), the executive of a township described in subsection (a) may, after approval by the fiscal body of the township, and before August 1, 2026, 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.

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

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

(2) A statement that the proposed increase will be a permanent increase to the township's maximum permissible

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ad valorem property tax levy.

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

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

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

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

(f) This section expires June 30, 2029.

SECTION 52. IC 6-1.1-20.6-2.4, AS ADDED BY P.L.146-2008, SECTION 217, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2.4. As used in this chapter,

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

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

SECTION 53. IC 6-1.1-20.6-3, AS AMENDED BY P.L.68-2025, SECTION 73, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2026 (RETROACTIVE)]: Sec. 3. As used in this chapter, "property tax liability" means, for purposes of:

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

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

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

SECTION 54. IC 6-1.1-20.6-9.5, AS AMENDED BY P.L.272-2019, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2025 (RETROACTIVE)]: Sec. 9.5. (a) This section applies only to credits under this chapter against property taxes first due and payable after December 31, 2006.

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

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

SECTION 55. IC 6-1.1-20.6-9.8, AS AMENDED BY P.L.9-2024, SECTION 171, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2026 (RETROACTIVE)]: Sec. 9.8. (a) This section applies to property taxes first due and payable after December 31, 2009.

(b) The following definitions apply throughout this section:

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

of a political subdivision payable from ad valorem property taxes.

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

- (A) Property taxes that are exempted from the application of a credit granted under section 7 or 7.5 of this chapter by section 7(b), 7(c), 7.5(b), or 7.5(c) of this chapter or another law.
- (B) Property taxes imposed by a political subdivision to pay for debt service obligations of a political subdivision that are not exempted from the application of a credit granted under section 7 or 7.5 of this chapter by section 7(b), 7(c),

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7.5(b), or 7.5(c) of this chapter or any other law. Property taxes described in this clause are subject to the credit granted under section 7 or 7.5 of this chapter by section 7(b), 7(c), 7.5(b), or 7.5(c) of this chapter regardless of their designation as protected taxes.

(3) "Unprotected taxes" refers to property taxes that are not protected taxes.

(c) Except as provided in section 9.9 of this chapter, the total amount of revenue to be distributed to the fund for which the protected taxes were imposed shall be determined as if no credit were granted under section 7, ~~or 7.5, or 7.7~~ of this chapter **or under IC 6-1.1-49**. The total amount of the loss in revenue resulting from the granting of credits under section 7, ~~or 7.5, or 7.7~~ of this chapter **or under IC 6-1.1-49** must reduce only the amount of unprotected taxes distributed to a fund using the following criteria:

(1) The reduction may be allocated in the amounts determined by the political subdivision using a combination of unprotected taxes of the political subdivision in those taxing districts in which the credit caused a reduction in protected taxes.

(2) The tax revenue and each fund of any other political subdivisions must not be affected by the reduction.

(d) When:

(1) the revenue that otherwise would be distributed to a fund receiving only unprotected taxes is reduced entirely under subsection (c) and the remaining revenue is insufficient for a fund receiving protected taxes to receive the revenue specified by subsection (c); or

(2) there is not a fund receiving only unprotected taxes from which to distribute revenue;

the revenue distributed to the fund receiving protected taxes must also be reduced. If the revenue distributed to a fund receiving protected taxes is reduced, the political subdivision may transfer money from one (1) or more of the other funds of the political subdivision to offset the loss in revenue to the fund receiving protected taxes. The transfer is limited to the amount necessary for the fund receiving protected taxes to receive the revenue specified under subsection (c). The amount transferred shall be specifically identified as a debt service obligation transfer for each affected fund.

SECTION 56. IC 6-1.1-20.6-9.9, AS AMENDED BY P.L.236-2023, SECTION 39, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2026 (RETROACTIVE)]:
Sec. 9.9. (a) This subsection applies to credits allocated before January

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- 1, 2024. If:
- (1) a school corporation after July 1, 2016, issues new bonds or enters into a new lease rental agreement for which the school corporation is imposing or will impose a debt service levy other than:
 - (A) to refinance or renew prior bond or lease rental obligations existing before January 1, 2017; or
 - (B) indebtedness that is approved in a local public question or referendum under IC 6-1.1-20 or any other law; and
 - (2) the school corporation's:
 - (A) total debt service levy is greater than the school corporation's total debt service levy in 2016; and
 - (B) total debt service tax rate is greater than the school corporation's total debt service tax rate in 2016;
- the school corporation is not eligible to allocate credits proportionately under this section.
- (b) This subsection applies to credits allocated after December 31, 2023. A school corporation is not eligible to allocate credits proportionately under this section, if a school corporation after July 1, 2023, issues new bonds or enters into a new lease rental agreement for which the school corporation is imposing or will impose a debt service levy other than:
- (1) to refinance or renew prior bond or lease rental obligations existing before January 1, 2024, but only if the refinancing or renewal is for a lower interest rate; or
 - (2) indebtedness that is approved in a local public question or referendum under IC 6-1.1-20 or any other law.
- (c) Subject to subsection (a) (before January 1, 2024) and subsection (b) (after December 31, 2023), a school corporation is eligible to allocate credits proportionately under this section for 2019, 2020, 2021, 2022, 2023, 2024, 2025, or 2026 if the school corporation's percentage computed under this subsection is at least ten percent (10%) for its operations fund levy as certified by the department of local government finance. A school corporation shall compute its percentage under this subsection as determined under the following formula:
- STEP ONE: Determine the amount of credits granted under this chapter against the school corporation's levy for the school corporation's operations fund.
- STEP TWO: Determine the amount of the school corporation's levy that is attributable to new debt incurred after June 30, 2019, but is not attributable to the debt service levy described in subsection (a)(1)(B) (before January 1, 2024) or subsection



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(b)(2) (after December 31, 2023).

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

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

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

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

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

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

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

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

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

STEP ONE: Determine the product of:

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

(B) five (5).

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

STEP THREE: Determine the product of:

(A) the amount determined under STEP SIX of subsection

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1 (c); multiplied by
 2 (B) the STEP TWO percentage.
 3 The school corporation may allocate the amount of credits determined
 4 under STEP THREE proportionately under this section. The
 5 department of local government finance shall include in its certification
 6 of an eligible school corporation under subsection (d) the amount of
 7 credits that the school corporation may allocate proportionately as
 8 determined under this subsection.

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

10 SECTION 57. IC 6-1.1-21.2-4, AS AMENDED BY P.L.146-2008,
 11 SECTION 232, IS AMENDED TO READ AS FOLLOWS
 12 [EFFECTIVE UPON PASSAGE]: Sec. 4. As used in this chapter, "base
 13 assessed value" means the base assessed value as that term is defined
 14 or used in:

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

33 SECTION 58. IC 6-1.1-21.2-7, AS AMENDED BY P.L.146-2008,
 34 SECTION 236, IS AMENDED TO READ AS FOLLOWS
 35 [EFFECTIVE UPON PASSAGE]: Sec. 7. As used in this chapter,
 36 "property taxes" means:

- 37 (1) property taxes, as defined in:
 - 38 (A) ~~IC 6-1.1-39-5(g);~~ IC 6-1.1-39-5(h);
 - 39 (B) IC 36-7-14-39(a);
 - 40 (C) IC 36-7-14-39.2;
 - 41 (D) IC 36-7-14-39.3(c);
 - 42 (E) IC 36-7-14.5-12.5;

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- (F) IC 36-7-15.1-26(a);
- (G) IC 36-7-15.1-26.2(c);
- (H) IC 36-7-15.1-53(a);
- (I) IC 36-7-15.1-55(c);
- (J) IC 36-7-30-25(a)(3);
- (K) IC 36-7-30-26(c);
- (L) IC 36-7-30.5-30; or
- (M) IC 36-7-30.5-31; or

(2) for allocation areas created under IC 8-22-3.5, the taxes assessed on taxable tangible property in the allocation area.

SECTION 59. IC 6-1.1-22-19, AS ADDED BY P.L.230-2025, SECTION 50, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2026 (RETROACTIVE)]: Sec. 19. (a) This section applies to real property tax statements provided to taxpayers after December 31, 2025.

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

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

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

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

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

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

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

SECTION 60. IC 6-1.1-24-5.7, AS AMENDED BY P.L.26-2023, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2026 (RETROACTIVE)]: Sec. 5.7. (a) The county treasurer shall require each person who will be bidding at the tax sale to sign a statement in a form substantially similar to the following:

"Indiana law prohibits a person who owes delinquent taxes, special assessments, penalties, interest, or costs directly attributable to a prior tax sale of a tract or item of real property listed under IC 6-1.1-24-1 from bidding on or purchasing tracts



or items of real property at a tax sale. I hereby affirm under the penalties for perjury that I do not owe delinquent taxes, special assessments, penalties, interest, costs directly attributable to a prior tax sale, amounts from a final adjudication in favor of a political subdivision, any civil penalties imposed for the violation of a building code or county ordinance, or any civil penalties imposed by a county health department. I also affirm that I am not purchasing tracts or items of real property on behalf of or as an agent for a person who is prohibited from purchasing at a tax sale. Further, I hereby acknowledge that any successful bid I make in violation of this statement is subject to forfeiture. I further acknowledge that I will not assign a certificate of sale for any tract or item of real property purchased to a person who is prohibited from bidding on or purchasing real property at a tax sale. In the event of forfeiture, the amount by which my bid exceeds the minimum bid on the tract or item of real property under IC 6-1.1-24-5(e), if any, shall be applied to the delinquent taxes, special assessments, penalties, interest, costs, judgments, or civil penalties I owe, and a certificate will be issued to the county executive. I further acknowledge that a person who knowingly or intentionally provides false information on this affidavit commits perjury, a Level 6 felony."

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

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

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

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

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

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

- (A) the date of the sale;
- (B) the name of the buyer;
- (C) the property identification number of the real property;
- (D) the real property's legal description; and
- (E) a statement that the sale has been forfeited and is null and void because the buyer was not eligible to purchase the real property.

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

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

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

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

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

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

SECTION 61. IC 6-1.1-24-5.9 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS

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[EFFECTIVE JANUARY 1, 2026 (RETROACTIVE)]: Sec. 5.9. (a) As used in this section, "business entity" refers to any of the following:

- (1) A sole proprietorship.
- (2) A professional practice.
- (3) An unincorporated association.
- (4) A partnership.
- (5) A limited partnership.
- (6) A limited liability partnership.
- (7) A corporation.
- (8) A professional corporation.
- (9) A limited liability company.
- (10) A trust.
- (11) A business trust.
- (12) A real estate investment trust.
- (13) A fiduciary.
- (14) Any other form of organization permitted under Indiana law for business purposes.

(b) An individual or business entity may not bid or purchase a tract or item of real property offered for sale under section 5 or 6.1 of this chapter if:

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

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

SECTION 62. IC 6-1.1-24-9, AS AMENDED BY P.L.26-2023, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2026 (RETROACTIVE)]: Sec. 9. (a) Immediately after a tax sale purchaser pays the bid, as evidenced by the receipt of the county treasurer, or immediately after the county acquires a lien under section 6 of this chapter, the county auditor shall deliver a certificate of sale to the purchaser or to the county or to the city. The certificate shall be signed by the auditor and registered in the auditor's office. The certificate shall contain:

- (1) a description of real property that corresponds to the description used on the notice of sale;
- (2) the name of:
 - (A) the owner of record at the time of the sale of real

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- 1 property with a single owner; or
 2 (B) at least one (1) of the owners of real property with
 3 multiple owners;
 4 (3) the mailing address of the owner of the real property sold as
 5 indicated in the records of the county auditor;
 6 (4) the name and mailing address of the purchaser;
 7 (5) the date of sale;
 8 (6) the amount for which the real property was sold;
 9 (7) the amount of the minimum bid for which the tract or real
 10 property was offered at the time of sale as required by section 5
 11 of this chapter;
 12 (8) the date when the period of redemption specified in
 13 IC 6-1.1-25-4 will expire;
 14 (9) the court cause number under which judgment was obtained;
 15 and
 16 (10) the street address, if any, or common description of the real
 17 property.
 18 (b) When a certificate of sale is issued under this section, the
 19 purchaser acquires a lien against the real property for the entire amount
 20 paid. The lien of the purchaser is superior to all liens against the real
 21 property which exist at the time the certificate is issued.
 22 (c) A certificate of sale is assignable. However, a purchaser who
 23 acquires a certificate of sale may not assign the certificate of sale to a
 24 person who was not eligible under section 5.1, 5.3, ~~or~~ 5.4, ~~or~~ 5.9 of this
 25 chapter to bid on or purchase real property at a tax sale held under
 26 section 5 or 6.1 of this chapter until the person satisfies the eligibility
 27 requirements as determined by the county auditor. In addition to the
 28 prohibition on the assignment of a tax sale certificate to a person
 29 described in section 5.1, 5.3, ~~or~~ 5.4, ~~or~~ 5.9 of this chapter until the
 30 person satisfies the eligibility requirements as determined by the county
 31 auditor, a county legislative body may adopt an ordinance further
 32 prohibiting the assignment of a certificate of sale acquired at a
 33 treasurer's sale (pursuant to section 5 of this chapter) or at a county
 34 executive's tax sale (pursuant to section 6.1 of this chapter) prior to the
 35 issuance of a tax deed for the real property by the county auditor.
 36 (d) An assignment not prohibited by an ordinance adopted under
 37 subsection (c) is not valid unless the county auditor first determines the
 38 person is eligible to receive the assignment. If the county auditor
 39 determines the person is eligible to receive the assignment, the
 40 following requirements apply:
 41 (1) The assignment must be acknowledged before an officer
 42 authorized to take acknowledgments of deeds.

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

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

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

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

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

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

SECTION 63. IC 6-1.1-37-4, AS AMENDED BY P.L.230-2025, SECTION 56, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2026 (RETROACTIVE)]: Sec. 4. A person who makes a false statement, with intent to obtain the property tax deduction provided in either IC 6-1.1-12-13 (**before its expiration**) or IC 6-1.1-12-14 when the person is not entitled to the deduction, commits a Class B misdemeanor.

SECTION 64. IC 6-1.1-39-5, AS AMENDED BY P.L.214-2019, SECTION 22, AND AS AMENDED BY P.L.257-2019, SECTION 68, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. (a) A declaratory ordinance adopted under section 2 of this chapter and confirmed under section 3 of this chapter must include a provision with respect to the allocation and distribution of property taxes for the purposes and in the manner provided in this section. The allocation provision must apply to the entire economic development district. The allocation provisions must require that any property taxes subsequently levied by or for the benefit of any public body entitled to a distribution of property taxes on taxable property in the economic development district be allocated and distributed as follows:

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

(A) the assessed value of the property for the assessment

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- 1 date with respect to which the allocation and distribution is
 2 made; or
 3 (B) the base assessed value;
 4 shall be allocated to and, when collected, paid into the funds of
 5 the respective taxing units. However, if the effective date of the
 6 allocation provision of a declaratory ordinance is after March 1,
 7 1985, and before January 1, 1986, and if an improvement to
 8 property was partially completed on March 1, 1985, the unit may
 9 provide in the declaratory ordinance that the taxes attributable to
 10 the assessed value of the property as finally determined for
 11 March 1, 1984, shall be allocated to and, when collected, paid
 12 into the funds of the respective taxing units.
- 13 (2) Except as otherwise provided in this section, part or all of the
 14 property tax proceeds in excess of those described in subdivision
 15 (1), as specified in the declaratory ordinance, shall be allocated
 16 to the unit for the economic development district and, when
 17 collected, paid into a special fund established by the unit for that
 18 economic development district that may be used only to pay the
 19 principal of and interest on obligations owed by the unit under
 20 IC 4-4-8 (before its repeal) or IC 5-28-9 for the financing of
 21 industrial development programs in, or serving, that economic
 22 development district. The amount not paid into the special fund
 23 shall be paid to the respective units in the manner prescribed by
 24 subdivision (1).
- 25 (3) When the money in the fund is sufficient to pay all
 26 outstanding principal of and interest (to the earliest date on
 27 which the obligations can be redeemed) on obligations owed by
 28 the unit under IC 4-4-8 (before its repeal) or IC 5-28-9 for the
 29 financing of industrial development programs in, or serving, that
 30 economic development district, money in the special fund in
 31 excess of that amount shall be paid to the respective taxing units
 32 in the manner prescribed by subdivision (1).
- 33 (b) Property tax proceeds allocable to the economic development
 34 district under subsection (a)(2) must, subject to subsection (a)(3), be
 35 irrevocably pledged by the unit for payment as set forth in subsection
 36 (a)(2).
- 37 (c) For the purpose of allocating taxes levied by or for any taxing
 38 unit or units, the assessed value of taxable property in a territory in the
 39 economic development district that is annexed by any taxing unit after
 40 the effective date of the allocation provision of the declaratory
 41 ordinance is the lesser of:
 42 (1) the assessed value of the property for the assessment date

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1 with respect to which the allocation and distribution is made; or
 2 (2) the base assessed value.

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

7 (e) Notwithstanding any other law, the assessed value of all
 8 taxable property in the economic development district, for purposes of
 9 tax limitation, property tax replacement, and formulation of the budget,
 10 tax rate, and tax levy for each political subdivision in which the
 11 property is located, is the lesser of:

12 (1) the assessed value of the property as valued without regard
 13 to this section; or

14 (2) the base assessed value.

15 (f) The state board of accounts and department of local
 16 government finance shall make the rules and prescribe the forms and
 17 procedures that they consider expedient for the implementation of this
 18 chapter. After each reassessment of a group of parcels under a
 19 reassessment plan prepared under IC 6-1.1-4-4.2 the ~~department of~~
 20 ~~local government finance~~ **county auditor** shall, **on forms prescribed**
 21 **by the department of local government finance**, adjust the base
 22 assessed value one (1) time to neutralize any effect of the reassessment
 23 on the property tax proceeds allocated to the district under this section.
 24 After each annual adjustment under IC 6-1.1-4-4.5, the ~~department of~~
 25 ~~local government finance~~ **county auditor** shall, **on forms prescribed**
 26 **by the department of local government finance**, adjust the base
 27 assessed value to neutralize any effect of the annual adjustment on the
 28 property tax proceeds allocated to the district under this section.
 29 However, the adjustments under this subsection may not include the
 30 effect of property tax abatements under IC 6-1.1-12.1.

31 **(g) The county auditor shall, in the manner prescribed by the**
 32 **department of local government finance, submit the forms**
 33 **required by this section to the department of local government**
 34 **finance no later than July 15 of each year.**

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

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

42 If a unit had, by ordinance adopted before May 8, 1987, allocated to an



economic development district property taxes imposed under IC 6-1.1 on depreciable personal property that has a useful life in excess of eight (8) years, the ordinance continues in effect until an ordinance is adopted by the unit under subdivision (2).

~~(h)~~ (i) As used in this section, "base assessed value" means, subject to subsection ~~(i)~~ (j):

(1) the net assessed value of all the property as finally determined for the assessment date immediately preceding the effective date of the allocation provision of the declaratory resolution, as adjusted under subsection (f); plus

(2) to the extent that it is not included in subdivision (1), the net assessed value of property that is assessed as residential property under the rules of the department of local government finance, *within the economic development district*, as finally determined for ~~any the current~~ assessment date. ~~after the effective date of the allocation provision.~~

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

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

(1) the date on which the documents are filed with the county auditor; or

(2) the date on which the documents are filed with the department.

SECTION 65. IC 6-1.1-41-4, AS AMENDED BY P.L.38-2021, SECTION 40, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 4. (a) A political subdivision that in any year adopts a proposal under this chapter must submit the proposal to the department of local government finance:

(1) before August 2 of that year, for years before 2018; and

(2) before June 1 of that year, for years after 2017.

(b) Subject to subsections (c) and (d), the department of local government finance shall certify to the political subdivision **during the certification process under IC 6-1.1-17-16** that the proposal has a property tax rate that does not exceed the maximum property tax rate allowed by the applicable statute described in section 1 of this chapter.

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If the proposal has a property tax rate that exceeds the maximum property tax rate allowed by the applicable statute described in section 1 of this chapter, the department of local government finance shall certify the proposal at a rate equal to the maximum property tax rate allowed by the applicable statute under section 1 of this chapter.

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

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

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

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

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

SECTION 66. IC 6-1.1-51.3-1, AS ADDED BY P.L.68-2025, SECTION 84, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2026 (RETROACTIVE)]: Sec. 1. (a) An individual is entitled to a credit against local property taxes imposed on the individual's real property, or mobile home or manufactured home within the county, if:

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

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

(3) the individual:

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

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

on the date the credit is claimed; ~~and~~

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(4) the:

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

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

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

(i) the individual shares ownership; or

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

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

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

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

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

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

(1) tenants by the entirety;

(2) joint tenants; or

(3) tenants in common;

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

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

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

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

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- 1 (3) the surviving spouse has not remarried.
- 2 (f) An individual who has sold real property to another person
- 3 under a contract that provides that the contract buyer is to pay the
- 4 property taxes on the real property may not claim the credit provided
- 5 under this section against that real property.
- 6 (g) If individuals share ownership or are purchasing the property
- 7 under a contract as joint tenants or tenants in common and all of the
- 8 tenants are not at least sixty-five (65) years of age, the credit allowed
- 9 under this section shall be reduced by an amount equal to the credit
- 10 multiplied by a fraction. The numerator of the fraction is the number of
- 11 tenants who are not at least sixty-five (65) years of age, and the
- 12 denominator is the total number of tenants.
- 13 (h) An individual wishing to claim a credit under this section must
- 14 file a statement, on forms prescribed by the department of local
- 15 government finance, with the county auditor and provide
- 16 documentation necessary to substantiate the individual's eligibility for
- 17 the credit. The statement must be completed and dated on or before
- 18 January 15 of the calendar year in which the property taxes are first due
- 19 and payable. The statement may be filed in person or by mail. If
- 20 mailed, the mailing must be postmarked on or before the last day for
- 21 filing. An individual who remains eligible for the credit in the
- 22 following year is not required to file a statement to apply for the credit
- 23 in the following year. However, an individual who receives a credit
- 24 under this section in a particular year and who becomes ineligible for
- 25 the credit in the following year shall notify the auditor of the county in
- 26 which the homestead is located of the individual's ineligibility not later
- 27 than sixty (60) days after the individual becomes ineligible.
- 28 SECTION 67. IC 6-1.1-51.3-5 IS ADDED TO THE INDIANA
- 29 CODE AS A NEW SECTION TO READ AS FOLLOWS
- 30 [EFFECTIVE JANUARY 1, 2026 (RETROACTIVE)]: **Sec. 5. (a) An**
- 31 **individual is entitled to a credit against local property taxes**
- 32 **imposed on the individual's real property, or mobile home or**
- 33 **manufactured home within the county, if:**
- 34 (1) the individual served in the military or naval forces of the
- 35 United States for at least ninety (90) days;
- 36 (2) the individual received an honorable discharge;
- 37 (3) the individual is at least sixty-two (62) years of age and
- 38 has a disability of at least ten percent (10%);
- 39 (4) the individual's disability is evidenced by:
- 40 (A) a pension certificate or an award of compensation
- 41 issued by the United States Department of Veterans
- 42 Affairs; or

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

(5) the individual:

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

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

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

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

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

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

(2) the individual:

(A) was killed in action;

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

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

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

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

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

(f) An individual wishing to claim a credit under this section must file a statement, on forms prescribed by the department of local government finance, with the county auditor and provide



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

SECTION 68. IC 6-1.1-51.3-6 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2026 (RETROACTIVE)]: **Sec. 6. (a) An individual is entitled to a credit against local property taxes imposed on the individual's real property, mobile home, or manufactured home within the county, if:**

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

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

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

- (5) the individual:

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

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

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

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

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dollars (\$350).

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

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

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

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

SECTION 69. IC 6-1.1-51.3-7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2026 (RETROACTIVE)]: **Sec. 7. A trust is entitled to a credit under section 1, 2, 5, or 6 of this chapter for real property owned by the trust and occupied by an individual if the county auditor determines that the individual:**

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

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

7 SECTION 70. IC 6-2.5-5-29 IS AMENDED TO READ AS
 8 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 29. (a) As used in
 9 this section:

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

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

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

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

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

29 SECTION 71. IC 6-3.1-38-4, AS ADDED BY P.L.203-2023,
 30 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 31 JANUARY 1, 2026 (RETROACTIVE)]: Sec. 4. (a) Subject to
 32 subsection (c) and section 7 of this chapter, a qualified taxpayer may
 33 claim a credit against the qualified taxpayer's state tax liability for a
 34 qualified contribution for a qualified taxpayer with less than fifty (50)
 35 employees, if the amount provided toward the health
 36 reimbursement arrangement is equal to or greater than the level
 37 of benefits provided in the previous benefit year, or if the amount
 38 the employer contributes toward the health reimbursement
 39 arrangement equals the same amount contributed per covered
 40 individual toward the employer provided health insurance plan
 41 during the previous benefit year. up to four hundred dollars (\$400)
 42 in the first year per covered employee if the amount provided toward

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

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

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

or

(2) the following:

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

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

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

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

SECTION 72. IC 6-3.1-38-4.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2026 (RETROACTIVE)]: **Sec. 4.5. For a taxable year beginning after December 31, 2025, if a pass through entity is entitled to a credit under section 4 of this chapter but does not have state tax liability against which the tax credit may be applied, a shareholder, partner, or member of the pass through entity is entitled to a tax credit equal to:**

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

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

SECTION 73. IC 6-3.1-38-7, AS ADDED BY P.L.203-2023, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2026 (RETROACTIVE)]: **Sec. 7. (a) The amount of tax credits granted under this chapter may not exceed ten million dollars (\$10,000,000) in any taxable calendar year.**

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

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

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

SECTION 74. IC 6-3.6-1-1.5, AS AMENDED BY P.L.68-2025, SECTION 92, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2028]: Sec. 1.5. (a) In counties that adopted a homestead credit under IC 6-3.5-6-13 (before its repeal January 1, 2017), the transition from the former taxes to the taxes governed under this article shall include the transition of the homestead credit under IC 6-3.5-6-13 (before its repeal January 1, 2017) to a property tax relief rate under IC 6-3.6-5 (before its expiration).

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

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

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

SECTION 75. IC 6-3.6-1-3, AS AMENDED BY P.L.68-2025, SECTION 93, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2028]: Sec. 3. (a) Except to the extent that taxes imposed in



a county under or determined under:

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

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

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

SECTION 76. IC 6-3.6-2-2, AS AMENDED BY P.L.68-2025, SECTION 95, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2029]: Sec. 2. "Adjusted gross income" has the meaning set forth in IC 6-3-1-3.5. However:

- (1) in the case of a resident local taxpayer of Perry County, **or a resident of a municipality located in Perry County in the case of a local income tax imposed under IC 6-3.6-6-22**, the term does not include adjusted gross income described in IC 6-3.6-8-7; and
- (2) in the case of a local taxpayer described in section 13(3) of this chapter, the term includes only that part of the individual's total income that:

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

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

SECTION 77. IC 6-3.6-2-7.4, AS AMENDED BY P.L.68-2025, SECTION 98, AND P.L.223-2025, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7.4. "County with a single voting bloc" means a county that has a local income tax council in which one (1) city that is a member of the local income tax council or one (1) town that is a member of the local income tax council is allocated more than fifty percent (50%) of the total one hundred (100) votes allocated under IC 6-3.6-3-6(d). This section expires May 31, ~~2027~~: **2028**.

SECTION 78. IC 6-3.6-2-13, AS AMENDED BY P.L.68-2025, SECTION 100, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2029]: Sec. 13. "Local taxpayer" means



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any of the following:

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

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

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

(A) has income apportioned to Indiana as:

(i) a team member under IC 6-3-2-2.7; or

(ii) a race team member under IC 6-3-2-3.2;

for services rendered in the county **(or municipality in the case of a local income tax imposed under IC 6-3.6-6-22)**; and

(B) is not described in subdivision (1). ~~or (2)~~.

SECTION 79. IC 6-3.6-2-15, AS AMENDED BY P.L.68-2025, SECTION 101, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2029]: Sec. 15. "Resident local taxpayer", as it relates to a particular county (or municipality in the case of a local income tax imposed under IC 6-3.6-6-22), means any local taxpayer who resides in that county (or municipality in the case of a local income tax imposed under IC 6-3.6-6-22) on the date specified in IC 6-3.6-8-3. **For purposes of a local income tax rate imposed by a county under IC 6-3.6-6-2(b)(4), the term means an individual who resides in the part of the county for which the county may impose a rate under IC 6-3.6-6-2(b)(4) on the date specified in IC 6-3.6-8-3.**

SECTION 80. IC 6-3.6-2-16.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 16.5. "State GIS officer" has the meaning set forth in IC 4-23-7.3-10.

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1 SECTION 81. IC 6-3.6-3-2, AS AMENDED BY P.L.159-2020,
 2 SECTION 54, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 3 JULY 1, 2026]: Sec. 2. (a) An adopting body or, if authorized by this
 4 article, another governmental entity that is not an adopting body, may
 5 take an action under this article only by ordinance, unless this article
 6 permits the action to be taken by resolution.

7 (b) The department of local government finance, in consultation
 8 with the department of state revenue, may make electronically available
 9 uniform notices, ordinances, and resolutions that an adopting body or
 10 other governmental entity may use to take an action under this article.

11 ~~An adopting body or other governmental entity may submit a proposed~~
 12 ~~notice, ordinance, or resolution to the department of local government~~
 13 ~~finance for review not later than thirty (30) days prior to the date that~~
 14 ~~the adopting body or governing body intends to submit the notice,~~
 15 ~~adopting ordinance or resolution; and vote results on an ordinance or~~
 16 ~~resolution under subsection (d). If the adopting body or other~~
 17 ~~governmental entity wishes to submit the proposed notice, ordinance,~~
 18 ~~or resolution to the department of local government finance for review,~~
 19 ~~the adopting body or other governmental entity shall submit the~~
 20 ~~proposed notice, ordinance, or resolution to the department of local~~
 21 ~~government finance on the prescribed forms. The department of local~~
 22 ~~government finance shall provide to the submitting entity a~~
 23 ~~determination of the appropriateness of the proposed notice, ordinance,~~
 24 ~~or resolution, including recommended modifications, within thirty (30)~~
 25 ~~days of receiving the proposed notice, ordinance, or resolution.~~

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

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

40 **(e) Not later than July 1 of each calendar year, the county**
 41 **auditor shall certify to the department of local government finance**
 42 **and to the state GIS officer which taxing units comprise each**

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1 **taxing district in the county.**

2 SECTION 82. IC 6-3.6-3-2.5 IS ADDED TO THE INDIANA
3 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
4 [EFFECTIVE JULY 1, 2027]: **Sec. 2.5. (a) As used in this section,**
5 **"debt service obligations" refers to:**

6 **(1) the principal and interest payable during a calendar year**
7 **on bonds;**

8 **(2) lease rental payments payable during a calendar year on**
9 **leases; and**

10 **(3) any amount required under an agreement for bonds or**
11 **leases to be deposited in a sinking fund or other reserve**
12 **during a calendar year;**

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

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

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

26 SECTION 83. IC 6-3.6-3-3, AS AMENDED BY P.L.68-2025,
27 SECTION 103, IS AMENDED TO READ AS FOLLOWS
28 [EFFECTIVE JULY 1, 2028]: **Sec. 3. (a) Except as provided in**
29 **subsection (f), an ordinance adopted by a county under this article takes**
30 **effect as provided in this section.**

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

33 **(1) An ordinance adopted on or before October 1 of a calendar**
34 **year shall take effect on January 1 of the calendar year that**
35 **immediately succeeds the year in which the ordinance is**
36 **adopted.**

37 **(2) An ordinance adopted after October 1 of a calendar year shall**
38 **take effect on January 1 of the second succeeding calendar year**
39 **following the year the ordinance is adopted.**

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

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

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

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

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

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

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

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

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

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

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

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

unless, or until, a subsequent ordinance is adopted and the required deadlines for notice described in section 7(e) or 7.5(e) of this chapter are met. This subsection expires January 1, 2025.

SECTION 84. IC 6-3.6-3-4, AS AMENDED BY P.L.68-2025, SECTION 105, IS AMENDED TO READ AS FOLLOWS



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[EFFECTIVE JULY 1, 2028]: Sec. 4. (a) Except for a tax rate that has an expiration date, and except as provided in section 3(f) of this chapter (before its expiration), a tax rate remains in effect until the effective date of an ordinance that increases, decreases, or rescinds that tax rate.

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

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

(1) highest annual outstanding debt service;

(2) highest annual lease payments; and

(3) any amount required under the agreements for the bonds or leases to be deposited in a sinking fund or other reserve; but only until the maturity date of those debt obligations. An ordinance under this subsection must be adopted by the adopting body on or before October 1, ~~2027~~, **2028**, as set forth in section 3(b)(1) of this chapter. However, this subsection shall not be construed to prohibit an adopting body that fails to adopt an ordinance to continue an expenditure tax rate after December 31, ~~2027~~, **2028**, from adopting an ordinance under this article to impose, renew, or modify an expenditure tax rate under IC 6-3.6-6 beginning January 1, ~~2029~~, **2030**, or any year thereafter.

SECTION 85. IC 6-3.6-3-5, AS AMENDED BY P.L.223-2025, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. (a) The auditor of a county shall record all votes taken on ordinances presented for a vote under this article and not more than ten (10) days after the vote, send a certified copy of the results to:

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

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

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

(b) Except as provided in subsection (c), this subsection applies only to a county that has a local income tax council. The county auditor may cease sending certified copies after the county auditor sends a

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certified copy of results showing that members of the local income tax council have cast a majority of the votes on the local income tax council for or against the proposed ordinance.

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

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SECTION 86. IC 6-3.6-3-5, AS AMENDED BY P.L.223-2025, SECTION 5, AND AS AMENDED BY P.L.68-2025, SECTION 106, AND AS AMENDED BY THE TECHNICAL CORRECTIONS BILL OF THE 2026 GENERAL ASSEMBLY, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2028]:

Sec. 5. ~~(a)~~ The auditor of a county *(or the fiscal officer of a municipality in the case of a local income tax imposed under IC 6-3.6-6-22)* shall record all votes taken on ordinances presented for a vote under this article and not more than ten (10) days after the vote, send a certified copy of the results to:

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

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

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

(c) This subsection applies only to a county with a single voting bloc that proposes to increase (but not decrease) a tax rate in the county. The county auditor may cease sending certified copies of the votes on the local income tax council voting as a whole under section 9.5 of this chapter after the county auditor sends a certified copy of results showing that the individuals who sit on the fiscal bodies of the county, cities, and towns that are members of the local income tax

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council have cast a majority of the votes on the local income tax council voting as a whole under section 9.5 of this chapter for or against the proposed ordinance. This subsection expires May 31, 2028.

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

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

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

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

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

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

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

SECTION 88. IC 6-3.6-3-8, AS AMENDED BY P.L.223-2025,

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SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 8. (a) This section applies to a county in which the county adopting body is a local income tax council.

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

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

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

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

(f) This subsection applies only to a county with a single voting bloc that proposes to increase (but not decrease) a tax rate in the county. The county auditor shall deliver copies of a proposed ordinance the auditor receives under subsection (e) to the fiscal officers of all members of the local income tax council (other than the member proposing the ordinance under subsection (e)) within ten (10) days after receipt. Subject to subsection (h), once a member receives a

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proposed ordinance from the county auditor, the member shall vote on it within thirty (30) days after receipt. This subsection expires May 31, ~~2027~~. **2028.**

(g) This subsection applies only to a county with a single voting bloc that proposes to increase (but not decrease) a tax rate in the county. The fiscal body of each county, city, or town voting on a resolution to propose an ordinance under subsection (e), or voting on a proposed ordinance being considered by the local income tax council as a whole under section 9.5 of this chapter, must take a roll call vote on the resolution or the proposed ordinance. If an individual who sits on the fiscal body is absent from the meeting in which a vote is taken or abstains from voting on the resolution or proposed ordinance, the fiscal officer of the county, city, or town shall nevertheless consider that individual's vote as a "no" vote against the resolution or the proposed ordinance being considered, whichever is applicable, for purposes of the vote tally under this section and shall note on the vote tally that the individual's "no" vote is due to absence or abstention. The fiscal body of each county, city, or town shall certify the roll call vote on a resolution or a proposed ordinance, either for or against, to the county auditor as set forth under this chapter. This subsection expires May 31, ~~2027~~. **2028.**

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

SECTION 89. IC 6-3.6-3-9.5, AS AMENDED BY P.L.68-2025, SECTION 111, AND P.L.223-2025, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 9.5. (a) This section applies to a county:

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

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

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1 a tax rate in the county.

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

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

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

11 SECTION 90. IC 6-3.6-3-12 IS ADDED TO THE INDIANA
12 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
13 [EFFECTIVE JULY 1, 2028]: **Sec. 12. (a) This section applies to an**
14 **ordinance adopted under this article after June 30, 2028.**

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

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

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

21 (3) IC 6-3.6-7;

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

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

37 (1) **Any statutory requirements for an ordinance that**
38 **otherwise apply to an ordinance adopted under this article**
39 **to impose a local income tax rate also apply to an ordinance**
40 **adopted under this subsection.**

41 (2) **If the tax rate or tax rates adopted in an ordinance**
42 **adopted under this subsection still exceed a maximum**

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allowable tax rate or maximum allowable aggregate tax rate, the ordinance adopted under this subsection shall be considered void and treated as if the adopting body did not adopt any additional ordinance under this subsection.

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

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

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

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

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

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

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

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1 the reduction manner set forth in subdivision (2).

2 **(4) Any tax rate reduction under this subsection has the same**
 3 **effective date as the initial ordinance described in subsection**
 4 **(b).**

5 SECTION 91. IC 6-3.6-5-7, AS ADDED BY P.L.68-2025,
 6 SECTION 116, IS AMENDED TO READ AS FOLLOWS
 7 [EFFECTIVE JULY 1, 2028]: Sec. 7. This chapter expires December
 8 31, ~~2027~~. **2028.**

9 SECTION 92. IC 6-3.6-6-2, AS AMENDED BY P.L.68-2025,
 10 SECTION 118, IS AMENDED TO READ AS FOLLOWS
 11 [EFFECTIVE JULY 1, 2028]: Sec. 2. (a) This section applies to all
 12 counties.

13 (b) The adopting body may by ordinance and subject to
 14 subsections (c) through (e) impose one (1) or more of the ~~following~~
 15 component rates **set forth in this subsection. The imposition of one**
 16 **(1) or more of the following component rates may not to exceed a**
 17 **total expenditure tax rate under this chapter of two and nine-tenths**
 18 **percent (2.9%) in all counties other than Marion County and three**
 19 **and seventy-five hundredths percent (3.75%) in Marion County on**
 20 **the adjusted gross income of taxpayers who reside in the county, or, in**
 21 **the case of a team member or race team member described in**
 22 **IC 6-3.6-2-13(3), on the adjusted gross income earned as a team**
 23 **member or race team member in the county:**

24 (1) A tax rate not to exceed one and two-tenths percent (1.2%),
 25 **in all counties other than Marion County**, for general purpose
 26 revenue for county services (as provided in section 4 of this
 27 chapter), subject to subsection (c). **However, in Marion**
 28 **County, the tax rate allowed under this subdivision may not**
 29 **exceed two and five hundredths percent (2.05%).**

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

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

39 (4) A tax rate not to exceed one and two-tenths percent (1.2%)
 40 for general purpose revenue for municipal services for
 41 distribution to municipalities located within the county that are
 42 not eligible to adopt a municipal tax rate under section 22 of this



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chapter. or that have made an election under section 23(b)(3) of this chapter to be treated as such. **The adopting body shall identify in the ordinance each taxing district in which the tax rate under this subdivision is imposed.**

(c) The combined component rates imposed by an adopting body under subsection (b)(1) through (b)(3) shall not exceed:

(1) one and seven-tenths percent (1.7%), in all counties other than Marion County; and

(2) two and fifty-five hundredths percent (2.55%) in Marion County.

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

(e) ~~Beginning after December 31, 2030;~~ A tax rate imposed under subsection (b) ~~shall expire~~ **expires** on December 31, **2029, and on December 31** of each calendar year **thereafter**. An adopting body wishing to continue, increase, or decrease a tax rate ~~in~~ **for** the succeeding year must pass an ordinance to readopt a tax rate in accordance with IC 6-3.6-3-3. This subsection applies regardless of whether there is a modification in the tax rate or the component rates or the rates are unchanged from the previous year.

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

(1) highest annual outstanding debt service;

(2) highest annual lease payments; and

(3) any amount required under the agreements for the bonds or leases to be deposited in a sinking fund or other reserve; for the calendar year payable from the applicable component rate.

SECTION 93. IC 6-3.6-6-3, AS AMENDED BY P.L.137-2024, SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 3. (a) Revenue raised from a tax imposed under this chapter shall be treated as follows:



(1) To make the following distributions:

(A) If an ordinance described in section 2.5 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 2.5 of this chapter.

(B) If an ordinance described in section 2.6 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 2.6 of this chapter.

(C) If an ordinance described in section 2.7 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 2.7 of this chapter.

(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:

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(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. To inform an adopting body with regard to allocations that affect the payment of bonds, leases, or other obligations, a taxing unit may provide the adopting body with information regarding any outstanding bonds, leases, or other obligations that are secured by additional revenue. The information must be provided before the date of the public hearing at which the adopting body may change the allocation of additional revenue under section 4 of this chapter.

SECTION 94. IC 6-3.6-6-3.1, AS ADDED BY P.L.68-2025, SECTION 125, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025 (RETROACTIVE)]: Sec. 3.1. (a) As used in this section, "homestead" has the meaning set forth in IC 6-1.1-12-37.

(b) A county fiscal body may adopt an ordinance to impose a tax rate for the purpose of funding property tax homestead credits to reduce the property tax liability of taxpayers who own homesteads that are:

(1) located in the county; and

(2) eligible for a credit under IC 6-1.1-20.6-7.5 that limits the taxpayer's property tax liability for the property to one percent (1%).

Revenue collected from a tax rate imposed under this section may only be used to fund replacement of the county's property tax levy. Property taxes imposed due to a referendum in which a majority of the voters in the taxing unit imposing the property taxes approved the property taxes are not eligible for a credit under this section.

(c) The tax rate must be in increments of one-hundredth of one percent (0.01%) and may not exceed three-tenths of one percent (0.3%).

(d) A tax imposed under this section shall be treated as property taxes for all purposes. However, the department of local government

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1 finance may not reduce:

2 (1) any taxing unit's maximum permissible property tax levy
3 limit under IC 6-1.1-18.5; or

4 (2) the approved property tax levy or rate for any fund;
5 by the amount of any credits granted under this chapter.

6 (e) The homestead credits shall be applied to the net property taxes
7 due on the homestead after the application of any credit granted under
8 IC 6-1.1, including any credit granted under IC 6-1.1-20.4 and
9 IC 6-1.1-20.6.

10 (f) The property tax credits must be applied uniformly to provide
11 a homestead credit for homesteads in the county.

12 (g) The county auditor shall allocate the amount of revenue
13 applied as tax credits under this section to the taxing units that imposed
14 the eligible property taxes against which the credits are applied.

15 (h) The department of local government finance shall assist county
16 fiscal bodies and county auditors in calculating credit percentages and
17 amounts.

18 (i) Notwithstanding any provision to the contrary in this chapter,
19 a tax imposed under this section:

20 (1) may be imposed on the adjusted gross income of taxpayers
21 before January 1, ~~2028~~; **2029**; and

22 (2) terminates and may not be imposed on the adjusted gross
23 income of taxpayers after December 31, ~~2027~~; **2028**.

24 (j) This section expires January 1, ~~2028~~; **2029**.

25 SECTION 95. IC 6-3.6-6-4, AS AMENDED BY P.L.68-2025,
26 SECTION 126, IS AMENDED TO READ AS FOLLOWS
27 [EFFECTIVE JULY 1, 2028]: Sec. 4. (a) General purpose revenue
28 raised from a tax rate under section 2(b)(1) of this chapter must be
29 distributed directly to the county. The money may be used by the
30 county fiscal body for any of the purposes of the county, including for:

31 (1) public safety, including funding for a PSAP;

32 (2) economic development purposes described in IC 6-3.6-10;

33 (3) acute care hospitals;

34 (4) correctional facilities and rehabilitation facilities; **and**

35 (5) county staff expenses of the state judicial system. **and**

36 ~~(6) homestead property tax credits to fund replacement of the~~
37 ~~county's property tax levy.~~

38 (b) **Subject to sections 3 and 5 of this chapter**, the adopting body
39 shall, by ordinance, determine how general purpose revenue from a tax
40 under this chapter must be allocated in subsequent years. The
41 allocations are subject to IC 6-3.6-11. The ordinance must be adopted
42 as provided in IC 6-3.6-3 and takes effect and applies as specified in

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1 IC 6-3.6-3-3. The ordinance continues to apply thereafter until it is
2 rescinded or modified.

3 SECTION 96. IC 6-3.6-6-4.3, AS ADDED BY P.L.68-2025,
4 SECTION 127, IS AMENDED TO READ AS FOLLOWS
5 [EFFECTIVE JULY 1, 2028]: Sec. 4.3. (a) Revenue raised from a tax
6 rate for fire protection ~~and or~~ emergency medical services under
7 section 2(b)(2) of this chapter shall be distributed by the county ~~to~~
8 **among the county and** each fire protection district, fire protection
9 territory, and municipal fire department located within the county **that**
10 **provides fire protection, emergency medical services, or both in the**
11 **county. Except as provided in subsection (b),** at the discretion of the
12 county council, the county may distribute revenue raised from a tax rate
13 for fire protection ~~and or~~ emergency medical services under section
14 2(b)(2) of this chapter to township fire departments and volunteer fire
15 departments **that provide fire protection, emergency medical**
16 **services, or both in the county.**

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

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

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

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

36 (A) the STEP TWO amount; multiplied by

37 (B) twenty (20);

38 STEP FOUR: For each provider of fire protection and
39 emergency medical services located within the county that is
40 eligible to receive revenue under this section; determine the sum
41 of:

42 (A) the STEP ONE result; plus

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(B) the STEP THREE result.

STEP FIVE: Determine the sum total of the STEP FOUR results for each provider of fire protection and emergency medical services located within the county that is eligible to receive revenue under this section.

STEP SIX: The percentage of revenue that shall be distributed to each provider of fire protection and emergency medical services located within the county that is eligible to receive revenue under this section is equal to:

(A) the STEP FOUR result for the provider; divided by

(B) the STEP FIVE result.

(b) Subject to subsection (d), the county may determine the allocation method for revenue raised from a tax rate for fire protection or emergency medical services under section 2(b)(2) of this chapter. However, in determining the allocation method, the county shall, for each provider of fire protection, emergency medical services, or both in the county, consider the service boundaries of the provider and the population living within the service boundaries of the provider using the most recent federal decennial census.

(c) If at least fifty percent (50%) of fire runs made by a township fire department during the calendar year preceding by two (2) years the calendar year in which distribution amounts are being determined are carried out by full-time firefighters who receive a salary of at least thirty thousand dollars (\$30,000), the county shall distribute an allocation of revenue to the township fire department under this section.

(d) In the case of a county that provides fire protection, emergency medical services, or both in part of the county, but not the entire county, only the part of the county in which the county provides the fire protection, emergency medical services, or both are considered within the service boundaries for the county.

(e) For purposes of a distribution under this section, a distribution to a:

(1) fire protection territory shall be made to the provider unit of the fire protection territory; and

(2) volunteer fire department shall be made to the taxing unit that is served by the volunteer fire department.

(f) If the population living within the service boundaries of a provider cannot be determined using data from the United States Census Bureau, the county may determine an estimated population based on income tax returns that report a residence located within



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the service boundaries of the provider. The county auditor shall provide the estimated population to the department of local government finance not later than July 15 of the calendar year that precedes the calendar year before the year in which the distribution is made. If the county auditor does not provide an estimated population under this subsection, the department of local government finance may use the most recent estimated population provided by the county auditor or the department of state revenue.

SECTION 97. IC 6-3.6-6-4.5, AS AMENDED BY THE TECHNICAL CORRECTIONS BILL OF THE 2026 GENERAL ASSEMBLY, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2028]: Sec. 4.5. (a) Revenue raised from a tax rate for nonmunicipal civil taxing units under section 2(b)(3) of this chapter may be distributed by the county to nonmunicipal civil taxing units subject to the provisions of this section.

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

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

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

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

(e) A nonmunicipal civil taxing unit wishing to receive a share of revenue under this section in a year must adopt a resolution requesting the distribution from the county and must provide a certified copy of the resolution to the adopting body **and the state board of accounts** not later than July 1 of the year immediately preceding the distribution year. Not later than August 1 of the year immediately preceding the

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1 distribution year, the adopting body shall hold a public hearing on the
 2 resolution requesting the distribution and provide the public with
 3 notice of the time and place where the public hearing will be held. The
 4 notice must be given in accordance with IC 5-3-1 and include a
 5 description of the resolution requesting the distribution from the
 6 county.

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

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

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

38 SECTION 98. IC 6-3.6-6-6.1, 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. 6.1. (a) Revenue raised from a tax rate for certain
 42 cities and towns under section 2(b)(4) of this chapter ~~may~~ **shall** be



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distributed by the county to those cities and towns subject to the provisions of this section and according to the following formula:

STEP ONE: Determine the population of each city and town located in the county, excluding the population of any municipality that:

(A) is eligible to impose a local income tax under section 22 of this chapter; and

(B) did not make an election under section 23(b)(3) of this chapter.

STEP TWO: Determine the aggregate sum of the STEP ONE results.

STEP THREE: Determine the sum of:

(A) the STEP TWO result; plus

(B) the population of the unincorporated area of the county.

STEP FOUR: Divide the STEP TWO result by the STEP THREE result.

STEP FIVE: Multiply the STEP FOUR result by one and five-tenths (1.5), expressed as a percentage.

STEP SIX: Multiple the STEP FIVE result by the total amount of revenue raised from the tax rate imposed under section 2(b)(4) of this chapter.

STEP SEVEN: For each city and town located in the county that adopted a resolution under subsection (d) for the year, excluding any municipality that is eligible to impose a local income tax under section 22 of this chapter and did not make an election under section 23(b)(3) of this chapter, divide:

(A) the STEP ONE result for the city or town; by

(B) the STEP TWO result.

STEP EIGHT: To determine the amount to be allocated to each city and town located in the county that adopted a resolution under subsection (d) for the year, excluding any municipality that is eligible to impose a local income tax under section 22 of this chapter and did not make an election under section 23(b)(3) of this chapter, multiply:

(A) the STEP SEVEN result for the city or town; by

(B) the STEP SIX result.

STEP NINE: Determine the aggregate sum of the STEP EIGHT results for each city and town located in the county that adopted a resolution under subsection (d) for the year, excluding any municipality that is eligible to impose a local income tax under section 22 of this chapter and did not make

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1 **an election under section 23(b)(3) of this chapter.**

2 **STEP TEN: Determine the result of:**

3 **(A) the total amount of revenue raised from the tax rate**
 4 **imposed under section 2(b)(4) of this chapter; minus**

5 **(B) the STEP SIX result.**

6 **STEP ELEVEN: Determine the result of:**

7 **(A) the STEP SIX result; minus**

8 **(B) the STEP NINE result.**

9 **STEP TWELVE: To determine the amount to be allocated**
 10 **to the county, determine the sum of:**

11 **(A) the STEP TEN result; plus**

12 **(B) the STEP ELEVEN result.**

13 (b) Subject to subsection (g), the revenue raised from a tax rate
 14 under section 2(b)(4) of this chapter shall be allocated to the cities and
 15 towns based on the population of the city or the population of the town;
 16 whichever is applicable; compared to the population of all the cities or
 17 the population of all the towns; whichever is applicable; that are
 18 eligible for a distribution; subject to subsection (d). For purposes of this
 19 determination, section, if the boundaries of a city or town are located
 20 in more than one (1) county, only the portion of the population of the
 21 city or town that is located within the county imposing the tax rate
 22 under section 2(b)(4) of this chapter shall be considered.

23 (c) The money may be used by the city or town fiscal body for any
 24 of the purposes of the city or town, including public safety (as defined
 25 in IC 6-3.6-2-14) and economic development purposes described in
 26 IC 6-3.6-10. The city or town fiscal body may pledge its general
 27 purpose revenue to the payment of bonds or to lease payments as set
 28 forth in this chapter.

29 (d) An eligible city or town wishing to receive a share of revenue
 30 under this section in a year must adopt a resolution requesting the
 31 distribution from the county and must provide a certified copy of the
 32 resolution to the adopting body **and the state board of accounts** not
 33 later than July 1 of the year immediately preceding the distribution
 34 year. Not later than August 1 of the year immediately preceding the
 35 distribution year, the adopting body shall hold a public hearing on the
 36 resolution requesting the distribution and provide the public with
 37 notice of the time and place where the public hearing will be held. The
 38 notice must be given in accordance with IC 5-3-1 and include a
 39 description of the resolution requesting the distribution from the
 40 county.

41 (e) ~~Subject to subsection (g),~~ If an eligible city or town adopts a
 42 resolution under ~~this subsection (d)~~ and provides the resolution to the

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

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

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

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

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

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

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

SECTION 99. IC 6-3.6-6-21.3, AS AMENDED BY P.L.68-2025, SECTION 146, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2028]: Sec. 21.3. (a) This section applies to distributions of revenue before January 1, 2028: **2029**. This section:

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- 1 (1) does not apply to:
- 2 (A) distributions made under this chapter to a civil taxing
- 3 unit for fire protection services within a fire protection
- 4 territory established under IC 36-8-19; or
- 5 (B) distributions of revenue under section 9 of this chapter
- 6 (before its repeal); and
- 7 (2) applies only to the following:
- 8 (A) Any allocation or distribution of revenue under section
- 9 3(a)(2) of this chapter (as in effect before July 1, ~~2027~~)
- 10 **2028**) that is made on the basis of property tax levies in
- 11 counties that formerly imposed a tax under IC 6-3.5-1.1
- 12 (before its repeal on January 1, 2017).
- 13 (B) Any allocation or distribution of revenue under section
- 14 3(a)(3) of this chapter (as in effect before July 1, ~~2027~~)
- 15 **2028**) that is made on the basis of property tax levies in
- 16 counties that formerly imposed a tax under IC 6-3.5-6
- 17 (before its repeal on January 1, 2017).
- 18 (b) Subject to subsection (a), if two (2) or more:
- 19 (1) school corporations; or
- 20 (2) civil taxing units;
- 21 of an adopting county merge or consolidate to form a single school
- 22 corporation or civil taxing unit, the school corporation or civil taxing
- 23 unit that is in existence on January 1 of the current year is entitled to
- 24 the combined pro rata distribution of the revenue under section 3(a)(2)
- 25 or 3(a)(3) (as in effect before July 1, ~~2027~~) **2028**) of this chapter (as
- 26 appropriate) allocated to each applicable school corporation or civil
- 27 taxing unit in existence on January 1 of the immediately preceding
- 28 calendar year prior to the merger or consolidation.
- 29 (c) The department of local government finance shall make
- 30 adjustments to civil taxing units in accordance with IC 6-1.1-18.5-7.
- 31 SECTION 100. IC 6-3.6-6-22, AS ADDED BY P.L.68-2025,
- 32 SECTION 147, IS AMENDED TO READ AS FOLLOWS
- 33 [EFFECTIVE JULY 1, 2028]: Sec. 22. (a) As used in this section,
- 34 "municipality" means only a city or town that:
- 35 (1) has a population of three thousand five hundred (3,500) or
- 36 more; and
- 37 (2) in the case of a city or town whose population decreased in
- 38 the most recent federal decennial census from three thousand
- 39 five hundred (3,500) or more to less than three thousand five
- 40 hundred (3,500), has elected by ordinance to continue to use its
- 41 previous population of three thousand five hundred (3,500) or
- 42 more as set forth in section 23(b)(2) of this chapter for purposes

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1 of the allocation determination under section 6.1 of this chapter.
 2 The term does not include a city or town that has made an election
 3 under section 23(b)(3) of this chapter.

4 (b) Beginning after December 31, ~~2027~~, **2028**, the fiscal body of
 5 a municipality may by ordinance and subject to subsection (e), impose
 6 a local income tax rate on the adjusted gross income of local taxpayers
 7 in the municipality that does not exceed one and two-tenths percent
 8 (1.2%).

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

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

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

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

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

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

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

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

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

36 (e) ~~Beginning after December 31, 2030;~~ A tax rate imposed under
 37 subsection (b) ~~shall expire~~ **expires** on December 31, **2029, and on**
 38 **December 31** of each calendar year **thereafter.** A municipality
 39 wishing to continue, increase, or decrease a tax rate ~~in~~ **for** the
 40 succeeding year must pass an ordinance to readopt a tax rate in
 41 accordance with IC 6-3.6-3-3. **However, if there are bonds, leases,**
 42 **or other obligations payable from a tax imposed under subsection**



(b) that remain outstanding and the municipality fails to adopt an ordinance to continue the expenditure tax rate under this subsection, the expenditure tax rate for the municipality for the succeeding year, or until the maturity date of those debt obligations, whichever is sooner, shall be the minimum tax rate necessary to produce one and twenty-five hundredths (1.25) times the sum of:

- (1) the highest annual outstanding debt service;
- (2) the highest annual lease payments; and
- (3) any amount required under the agreements for the bonds or leases to be deposited in a sinking fund or other reserve;

for the year. This subsection applies regardless of whether there is a modification in the tax rate or the rate is unchanged from the previous 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 101. 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



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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 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 102. 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, 2028, 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**

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IC 6-3.6-6-2(b)(3) on the local taxpayer.

SECTION 103. 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 its expiration) that is designated for property tax replacement credits under this section shall be deposited in the library property tax replacement fund. Any interest earned on money in the library property tax replacement fund shall be credited to the library property tax replacement fund.

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

(1) the product of:

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

(B) a fraction described as follows:

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

(ii) The denominator of the fraction equals the sum of the total property taxes that would have been collected during the previous year from taxpayers located within the county by all public libraries that are eligible to receive property tax replacement credits under this section if the property tax replacement under this section had not been in effect; or

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

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

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

33 (e) A public library shall treat property tax replacement credits
 34 received during a particular calendar year under this section as a part
 35 of the public library's property tax levy for each fund for that same
 36 calendar year for purposes of fixing the public library's budget and for
 37 purposes of the property tax levy limits imposed by IC 6-1.1-18.5.

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

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

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

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

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

SECTION 104. IC 6-3.6-7-14, AS AMENDED BY P.L.38-2021, SECTION 45, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 14. (a) This section applies only to Marshall County.

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

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

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

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

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

(A) jail facilities;

(B) juvenile court, detention, and probation facilities;

(C) other criminal justice facilities; and

(D) related buildings and parking facilities;

located in the county, including costs related to the demolition of existing buildings and the acquisition of land.

(2) Repay bonds issued or leases entered into for the purposes described in subdivision (1).

(d) The tax imposed under this section may be imposed only until

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the last of the following dates:

(1) The date on which the purposes described in subsection (c)(1) are completed.

(2) The date on which the last of any bonds issued (including any refunding bonds) or leases described in subsection (c)(2) are fully paid.

The term of the bonds issued (including any refunding bonds) or a lease entered into under subsection (c)(2) may not exceed twenty (20) years.

(e) Money accumulated from the tax under this section after the tax imposed by this section is terminated shall be transferred to the county jail fund to be established under subsection (f).

(f) The county auditor shall establish a county jail fund that shall only be used for:

(1) maintenance of a jail facility; and

(2) **costs otherwise incurred for the operation of the county jail.**

Money in the county jail fund shall not be used to issue new debt or enter into leases, notwithstanding any other sections of this chapter.

SECTION 105. IC 6-3.6-7-27, AS AMENDED BY P.L.197-2016, SECTION 63, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2028]: Sec. 27. (a) This section applies only to an eligible county, as defined in IC 8-25-1-4.

(b) If the voters of the county approve a local public question under IC 8-25-2, the fiscal body of the county may adopt an ordinance to provide for the use of local income tax revenues ~~attributable to an additional tax rate imposed under IC 6-3.6-6~~ to fund a public transportation project under IC 8-25. However, a county fiscal body shall adopt an ordinance under this subsection if required by IC 8-25-6-10 to impose an additional tax rate on the county taxpayers (as defined in IC 8-24-1-10) who reside in a township in which the voters approve a public transportation project in a local public question held under IC 8-25-6. An ordinance adopted under this subsection must specify an additional tax rate to be imposed in the county (or township in the case of an additional rate required by IC 8-25-6-10) of at least one-tenth percent (0.1%), but not more than twenty-five hundredths percent (0.25%). If an ordinance is adopted under this subsection, the amount of the certified distribution attributable to the additional tax rate imposed under this subsection must be:

(1) retained by the county auditor;

(2) deposited in the county public transportation project fund established under IC 8-25-3-7; and

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(3) used for the purpose provided in this subsection instead of as a property tax replacement distribution.

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

SECTION 106. IC 6-3.6-8-3, AS ADDED BY P.L.243-2015, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 3. (a) For purposes of this article, an individual shall be treated as a resident of the county in which the individual:

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

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

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

- (1) changes the location of the individual's residence to a county in which the individual begins employment or business at a qualified economic development tax project (as defined in IC 36-7-27-9); or
- (2) changes the location of the individual's principal place of employment or business to a qualified economic development tax project and does not reside in another county in which a tax is in effect;

the individual's adjusted gross income attributable to employment or business at the qualified economic development tax project is taxable only by the county containing the qualified economic development tax project.

SECTION 107. IC 6-3.6-8-3, AS AMENDED BY P.L.68-2025, SECTION 151, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2029]: Sec. 3. (a) For purposes of this

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1 article, an individual shall be treated as a resident of the county (or the
 2 municipality in the case of a local income tax imposed under
 3 IC 6-3.6-6-22) in which the individual:

- 4 (1) maintains a home, if the individual maintains only one (1)
 5 home in Indiana;
- 6 (2) if subdivision (1) does not apply, is registered to vote;
- 7 (3) if subdivision (1) or (2) does not apply, registers the
 8 individual's personal automobile; or
- 9 (4) spent ~~the majority~~ **more** of the individual's time in Indiana
 10 during the taxable year in question **compared to any other**
 11 **county**, if subdivision (1), (2), or (3) does not apply.

12 (b) The residence of an individual is to be determined on January
 13 1 of the calendar year in which the individual's taxable year
 14 commences. If an individual changes the location of the individual's
 15 residence to another county (or municipality in the case of a local
 16 income tax imposed under IC 6-3.6-6-22) in Indiana during a calendar
 17 year, the individual's liability for tax is not affected.

18 (c) Notwithstanding subsection (b), if an individual becomes a
 19 local taxpayer for purposes of IC 36-7-27 during a calendar year
 20 because the individual changes the location of the individual's
 21 residence to a county or municipality in which the individual begins
 22 employment or business at a qualified economic development tax
 23 project (as defined in IC 36-7-27-9), the individual's adjusted gross
 24 income attributable to employment or business at the qualified
 25 economic development tax project is taxable only by the county or
 26 municipality containing the qualified economic development tax
 27 project.

28 (d) **In determining residency for purposes of a local income tax**
 29 **imposed under IC 6-3.6-6-2(b)(4) or IC 6-3.6-6-22, the following**
 30 **apply:**

- 31 (1) **The criteria in subsection (a)(1) through (a)(4) must be**
 32 **applied to municipalities and the parts of a county in which**
 33 **the county may impose a tax rate under IC 6-3.6-6-2(b)(4).**
- 34 (2) **If an individual meets the criteria in subsection (a)(1)**
 35 **through (a)(3) for an area in the county in which the county**
 36 **may impose a tax rate under IC 6-3.6-6-2(b)(4), the**
 37 **individual is considered a resident of that area of the county**
 38 **and is subject to a tax rate imposed under IC 6-3.6-6-2(b)(4).**
- 39 (3) **If an individual is a resident of the county pursuant to**
 40 **subsection (a)(4), the:**
 - 41 (A) **time spent in all areas within the county in which the**
 42 **county may impose a tax rate under IC 6-3.6-6-2(b)(4)**



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1 shall be aggregated; and
 2 (B) determination of the individual's residence within
 3 the county shall be determined solely by the time spent
 4 in the municipality (or part of the county) and the parts
 5 of a county in which the county may impose a tax rate
 6 under IC 6-3.6-6-2(b)(4).

7 SECTION 108. IC 6-3.6-8-7, AS ADDED BY P.L.243-2015,
 8 SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 9 JANUARY 1, 2029]: Sec. 7. In the case of a local taxpayer who is a
 10 resident of Perry County, **or a resident of a municipality located in**
 11 **Perry County in the case of a local income tax imposed under**
 12 **IC 6-3.6-6-22**, the term "adjusted gross income" does not include
 13 adjusted gross income that is:

14 (1) earned in a county that is:

15 (A) located in another state; and

16 (B) adjacent to the county in which the taxpayer resides;
 17 and

18 (2) subject to an income tax imposed by a county, city, town, or
 19 other local governmental entity in the other state.

20 SECTION 109. IC 6-3.6-9-1, AS AMENDED BY P.L.68-2025,
 21 SECTION 154, IS AMENDED TO READ AS FOLLOWS
 22 [EFFECTIVE JULY 1, 2028]: Sec. 1. (a) The budget agency shall
 23 maintain an accounting for each county imposing a tax based on annual
 24 returns filed by or for county taxpayers. Any undistributed amounts so
 25 accounted for shall be held in reserve for the respective counties
 26 separate from the state general fund.

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

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

31 SECTION 110. IC 6-3.6-9-5, AS AMENDED BY P.L.68-2025,
 32 SECTION 158, IS AMENDED TO READ AS FOLLOWS
 33 [EFFECTIVE JULY 1, 2028]: Sec. 5. (a) Before October 1 of each
 34 calendar year, the budget agency shall certify to the department of local
 35 government finance and the county auditor of each adopting county the
 36 amount determined under sections 4 and 4.1 of this chapter. The
 37 amount certified is the county's certified distribution for the
 38 immediately succeeding calendar year. The amount certified shall be
 39 adjusted, as necessary, under sections 6 and 7 of this chapter. Subject
 40 to subsection (b), not later than thirty (30) days after receiving the
 41 amount of the certified distribution, the department of local
 42 government finance shall determine for each taxing unit and notify the

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1 county auditor of the certified amount that will be distributed to the
 2 taxing unit under this chapter during the ensuing calendar year. Not
 3 later than thirty (30) days after receiving the department's estimate, the
 4 county auditor shall notify each taxing unit of the certified amounts for
 5 the taxing unit.

6 (b) This subsection applies to Lake County. When the department
 7 of local government finance notifies the county auditor of the certified
 8 amount that will be distributed to the taxing unit under this chapter
 9 during the ensuing calendar year, the department of local government
 10 finance shall also determine the amount of general purpose revenue
 11 allocated for economic development purposes that will be distributed
 12 to each civil taxing unit, reduced by an amount that is equal to the
 13 following percentages of the tax revenue that would otherwise be
 14 allocated for economic development purposes and distributed to the
 15 civil taxing unit:

- 16 (1) For Lake County, an amount equal to twenty-five percent
 17 (25%).
- 18 (2) For Crown Point, an amount equal to ten percent (10%).
- 19 (3) For Dyer, an amount equal to fifteen percent (15%).
- 20 (4) For Gary, an amount equal to seven and five-tenths percent
 21 (7.5%).
- 22 (5) For Hammond, an amount equal to fifteen percent (15%).
- 23 (6) For Highland, an amount equal to twelve percent (12%).
- 24 (7) For Hobart, an amount equal to eighteen percent (18%).
- 25 (8) For Lake Station, an amount equal to twenty percent (20%).
- 26 (9) For Lowell, an amount equal to fifteen percent (15%).
- 27 (10) For Merrillville, an amount equal to twenty-two percent
 28 (22%).
- 29 (11) For Munster, an amount equal to thirty-four percent (34%).
- 30 (12) For New Chicago, an amount equal to one percent (1%).
- 31 (13) For Schererville, an amount equal to ten percent (10%).
- 32 (14) For Schneider, an amount equal to twenty percent (20%).
- 33 (15) For Whiting, an amount equal to twenty-five percent (25%).
- 34 (16) For Winfield, an amount equal to fifteen percent (15%).

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

38 (c) **This subsection applies to a distribution under**
 39 **IC 6-3.6-6-4.3 of tax revenue raised from a local income tax rate**
 40 **for fire protection and emergency medical services. Before the**
 41 **department of local government finance may certify a distribution,**
 42 **each provider of fire protection and emergency medical services**

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located within a county shall certify to the department of local government finance the boundaries of the service area within the county served by the provider. If a provider does not certify the provider's service area to the department of local government finance, the department of local government finance shall use the most recent certified net assessed valuation submitted by the county auditor pursuant to IC 6-1.1-17-1 for the taxing unit served by the provider to determine the service boundaries for the provider. For purposes of this subsection, the service boundaries of a provider may not include any area served under a mutual aid agreement.

SECTION 111. IC 6-3.6-9-10, AS AMENDED BY P.L.68-2025, SECTION 164, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2028]: Sec. 10. The budget agency shall also certify information concerning the part of the certified distribution that is attributable to each of the following:

- (1) The tax rate imposed under IC 6-3.6-5 (before its expiration). This subdivision expires July 1, ~~2028~~ **2029**.
- (2) The tax rate imposed under IC 6-3.6-6, separately stating:
 - (A) the part of the distribution attributable to a tax rate imposed under IC 6-3.6-6-2.5 (before its repeal);
 - (B) the part of the distribution attributable to a tax rate imposed under IC 6-3.6-6-2.6 (before its repeal);
 - (C) the part of the distribution attributable to a tax rate imposed under IC 6-3.6-6-2.7 (before its repeal);
 - (D) the part of the distribution attributable to a tax rate imposed under IC 6-3.6-6-2.8 (before its repeal); and
 - (E) the part of the distribution attributable to a tax rate imposed under IC 6-3.6-6-2.9 (before its repeal).
- (3) Each tax rate imposed under IC 6-3.6-7.
- (4) In the case of Marion County, the local income taxes paid by local taxpayers described in IC 6-3.6-2-13(3).

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

SECTION 112. IC 6-3.6-9-12, AS AMENDED BY P.L.68-2025, SECTION 166, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2028]: Sec. 12. One-twelfth (1/12) of each adopting county's certified distribution for a calendar year shall be distributed:

- (1) before January 1, ~~2028~~ **2029**, from its trust account established under this chapter; and
- (2) after December 31, ~~2027~~ **2028**, from the state and local

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1 income tax holding account established under this chapter;
 2 to the appropriate county treasurer on the first regular business day of
 3 each month of that calendar year.

4 SECTION 113. IC 6-3.6-9-13, AS AMENDED BY P.L.68-2025,
 5 SECTION 167, IS AMENDED TO READ AS FOLLOWS
 6 [EFFECTIVE JULY 1, 2028]: Sec. 13. (a) All distributions from a trust
 7 account established under this chapter shall be made by warrants issued
 8 by the state comptroller to the treasurer of state ordering the
 9 appropriate payments.

10 (b) This section expires December 31, ~~2027~~; **2028**.

11 SECTION 114. IC 6-3.6-9-17.5, AS ADDED BY P.L.68-2025,
 12 SECTION 171, IS AMENDED TO READ AS FOLLOWS
 13 [EFFECTIVE JULY 1, 2028]: Sec. 17.5. After December 31, ~~2027~~,
 14 **2028**, the county's certified distribution amount for ~~2028~~ **2029** shall be
 15 maintained in the accounting for the county under section 21 of this
 16 chapter and transferred as set forth in section 21 of this chapter.

17 SECTION 115. IC 6-3.6-9-21, AS ADDED BY P.L.68-2025,
 18 SECTION 173, IS AMENDED TO READ AS FOLLOWS
 19 [EFFECTIVE JULY 1, 2028]: Sec. 21. (a) The budget agency shall
 20 maintain an accounting for each county imposing a tax based on annual
 21 returns filed by or for county taxpayers. Beginning after December 31,
 22 ~~2027~~, **2028**, any undistributed amounts so accounted shall be held for
 23 purposes of the state and local income tax holding account.

24 (b) After December 1 but before December 31 of each year, the
 25 budget agency shall present to the budget committee a report of the
 26 following:

27 (1) An estimate of the monthly certified distribution amounts for
 28 the immediately succeeding calendar year.

29 (2) A description of the method used to determine the monthly
 30 estimates under subdivision (1).

31 (c) Beginning in ~~2028~~, **2029**, and in each calendar year thereafter,
 32 the budget agency shall each month transfer to the state and local
 33 income tax holding account the amount determined for the month
 34 under subsection (b)(1) for distribution under this chapter.

35 (d) In the case of a county that imposes a tax rate under
 36 IC 6-3.6-6-2 or a municipality that imposes a tax rate under
 37 IC 6-3.6-6-22 beginning after December 31, ~~2027~~, **2028**, the budget
 38 agency shall withhold, from each of the first three (3) annual certified
 39 distributions resulting from the tax rate, an amount equal to five
 40 percent (5%) of the county's or municipality's, as applicable, annual
 41 certified distribution resulting from the tax rate. The amounts withheld
 42 under this subsection shall be credited to the respective county's or



1 municipality's trust account.

2 SECTION 116. IC 6-3.6-10-9, AS ADDED BY P.L.68-2025,
3 SECTION 178, IS AMENDED TO READ AS FOLLOWS
4 [EFFECTIVE MAY 10, 2025 (RETROACTIVE)]: Sec. 9. (a)
5 Notwithstanding any other law, for bonds, leases, or any other
6 obligations incurred after May 9, 2025, a county, city, town, and any
7 other taxing unit may not pledge for payment from tax revenue
8 received under this article an amount that exceeds an amount equal to
9 twenty-five percent (25%) of the taxing unit's certified distribution
10 under this article.

11 (b) This section expires July 1, ~~2027~~: **2028**.

12 SECTION 117. IC 6-3.6-11-3, AS AMENDED BY P.L.68-2025,
13 SECTION 180, IS AMENDED TO READ AS FOLLOWS
14 [EFFECTIVE JULY 1, 2028]: Sec. 3. (a) This section applies to Lake
15 County's categorizations, allocations, and distributions under IC 6-3.6-5
16 (before its expiration).

17 (b) The rate under the former tax in Lake County that was used for
18 any of the following shall be categorized under IC 6-3.6-5 (before its
19 expiration), and the Lake County council may adopt an ordinance
20 providing that the revenue from the tax rate under this section may be
21 used for any of the following:

22 (1) To reduce all property tax levies imposed by the county by
23 the granting of property tax replacement credits against those
24 property tax levies.

25 (2) To provide local property tax replacement credits in Lake
26 County in the following manner:

27 (A) The tax revenue under this section that is collected from
28 taxpayers within a particular municipality in Lake County
29 (as determined by the department of state revenue based on
30 the department's best estimate) shall be used only to provide
31 a local property tax credit against property taxes imposed by
32 that municipality.

33 (B) The tax revenue under this section that is collected from
34 taxpayers within the unincorporated area of Lake County
35 (as determined by the department of state revenue) shall be
36 used only to provide a local property tax credit against
37 property taxes imposed by the county. The local property
38 tax credit for the unincorporated area of Lake County shall
39 be available only to those taxpayers within the
40 unincorporated area of the county.

41 (3) To provide property tax credits in the following manner:

42 (A) Sixty percent (60%) of the tax revenue shall be used as

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provided in subdivision (2).

(B) Forty percent (40%) of the tax revenue shall be used to provide property tax replacement credits against property tax levies of the county and each township and municipality in the county. The percentage of the tax revenue distributed under this item that shall be used as credits against the county's levies or against a particular township's or municipality's levies is equal to the percentage determined by dividing the population of the county, township, or municipality by the sum of the total population of the county, each township in the county, and each municipality in the county.

The Lake County council shall determine whether the credits under subdivision (1), (2), or (3) shall be provided to homesteads, to all qualified residential property, or to all taxpayers. The department of local government finance, with the assistance of the budget agency, shall certify to the county auditor and the fiscal body of the county and each township and municipality in the county the amount of property tax credits under this section. The tax revenue under this section that is used to provide credits under this section shall be treated for all purposes as property tax levies but shall not be considered for purposes of computing the maximum permissible property tax levy under IC 6-1.1-18.5-3 or the credit under IC 6-1.1-20.6.

(c) Any ordinance adopted under subsection (b) expires December 31, ~~2027~~: **2028**.

(d) This section expires July 1, ~~2028~~: **2031**.

SECTION 118. IC 6-6-5-5, AS AMENDED BY P.L.230-2025, SECTION 87, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2025 (RETROACTIVE)]: Sec. 5. A person that owns a vehicle and that is entitled to a property tax deduction under IC 6-1.1-12-13 **(before its expiration)**, IC 6-1.1-12-14, or IC 6-1.1-12-16 **(before its expiration)** is entitled to a credit against the vehicle excise tax as follows: Any remaining deduction from assessed valuation to which the person is entitled, applicable to property taxes payable in the year in which the excise tax imposed by this chapter is due, after allowance of the deduction on real estate and personal property owned by the person, shall reduce the vehicle excise tax in the amount of two dollars (\$2) on each one hundred dollars (\$100) of taxable value or major portion thereof. The county auditor shall, upon request, furnish a certified statement to the person verifying the credit allowable under this section, and the statement shall be presented to and retained by the bureau to support the credit.

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SECTION 119, IC 6-6-5-5.2, AS AMENDED BY P.L.230-2025,
SECTION 88, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
JANUARY 1, 2025 (RETROACTIVE)]: Sec. 5.2. (a) This section
applies to a registration year beginning after December 31, 2013.

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

(1) The individual meets all the following requirements:

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

(B) The individual received an honorable discharge.

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

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

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

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

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

(2) The individual meets all the following requirements:

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

(B) The individual received an honorable discharge.

(C) The individual either:

(i) has a total disability; or

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

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

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

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

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- 1 to receive a credit under this section.
- 2 (E) The individual does not own property to which a
- 3 property tax deduction may be applied under
- 4 IC 6-1.1-12-14.
- 5 (3) The individual meets both of the following requirements:
- 6 (A) The individual is the surviving spouse of any of the
- 7 following:
- 8 (i) An individual who would have been eligible for a
- 9 credit under this section if the individual had been
- 10 alive in 2013 and this section had been in effect in
- 11 2013.
- 12 (ii) An individual who received a credit under this
- 13 section in the previous calendar year.
- 14 (iii) A World War I veteran.
- 15 (B) The individual does not own property to which a
- 16 property tax deduction may be applied under IC 6-1.1-12-13
- 17 **(before its expiration)**, IC 6-1.1-12-14, or IC 6-1.1-12-16.
- 18 ~~(before its expiration).~~
- 19 (c) The amount of the credit that may be claimed under this
- 20 section is equal to the lesser of the following:
- 21 (1) The amount of the excise tax liability for the individual's
- 22 vehicle as determined under section 3 or 3.5 of this chapter, as
- 23 applicable.
- 24 (2) Seventy dollars (\$70).
- 25 (d) The maximum number of motor vehicles for which an
- 26 individual may claim a credit under this section is two (2).
- 27 (e) An individual may not claim a credit under both:
- 28 (1) this section; and
- 29 (2) section 5 of this chapter.
- 30 (f) The credit allowed by this section must be claimed on a form
- 31 prescribed by the bureau. An individual claiming the credit must attach
- 32 to the form an affidavit from the county auditor stating that the
- 33 claimant does not own property to which a property tax deduction may
- 34 be applied under IC 6-1.1-12-13 **(before its expiration)**,
- 35 IC 6-1.1-12-14, or IC 6-1.1-12-16. ~~(before its expiration).~~
- 36 SECTION 120. IC 6-6-5.1-2, AS AMENDED BY P.L.256-2017,
- 37 SECTION 43, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 38 UPON PASSAGE]: Sec. 2. The following definitions apply throughout
- 39 this chapter:
- 40 (1) "Bureau" refers to the bureau of motor vehicles.
- 41 (2) "Mobile home" has the meaning set forth in ~~IC 6-1.1-7-1.~~
- 42 **IC 9-13-2-103.2. The term includes a manufactured home (as**

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defined in IC 9-13-2-96(a)).

(3) "Owner" means:

(A) in the case of a recreational vehicle, the person in whose name the recreational vehicle is registered under IC 9-18 (before its expiration) or IC 9-18.1; or

(B) in the case of a truck camper, the person holding title to the truck camper.

(4) "Recreational vehicle" has the meaning set forth in IC 9-13-2-150.

(5) "Truck camper" has the meaning set forth in IC 9-13-2-188.3.

SECTION 121. IC 6-6-6.5-13, AS AMENDED BY P.L.230-2025, SECTION 89, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2026 (RETROACTIVE)]: Sec. 13. (a) As the basis for measuring the tax imposed by this chapter, the department shall classify every taxable aircraft in its proper class according to the following classification plan:

CLASS	DESCRIPTION
A	Piston-driven
B	Piston-driven, and Pressurized
C	Turbine driven or other Powered
D	Homebuilt, Gliders, or Hot Air Balloons

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

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

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

(1) ninety percent (90%); or

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

The credit may only be used to reduce the tax imposed under this



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chapter on another aircraft purchased by that owner during the registration year in which the credit accrues. A person may not receive a refund for a credit under this subsection.

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

SECTION 122. IC 6-9-18-3, AS AMENDED BY THE TECHNICAL CORRECTIONS BILL OF THE 2026 GENERAL ASSEMBLY, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 3. (a) The fiscal body of a county may levy a tax on every person engaged in the business of renting or furnishing, for periods of less than thirty (30) days, any room or rooms, lodgings, or accommodations in any:

- (1) hotel;
- (2) motel;
- (3) boat motel;
- (4) inn;
- (5) college or university memorial union;
- (6) college or university residence hall or dormitory; or
- (7) tourist cabin;

located in the county.

(b) The tax does not apply to gross income received in a transaction in which:

- (1) a student rents lodgings in a college or university residence hall while that student participates in a course of study for which the student receives college credit from a college or university located in the county; or
- (2) a person rents a room, lodging, or accommodations for a period of thirty (30) days or more.

(c) The tax may not exceed:

- (1) the rate of five percent (5%) in a county other than a county subject to subdivision (2), (3), ~~or~~ (4), **or (5);**

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(2) after June 30, 2019, and except as provided in section 6.7 of this chapter, the rate of eight percent (8%) in Howard County; ~~or~~
 (3) after June 30, 2021, the rate of nine percent (9%) in Daviess County;
(4) after June 30, 2026, the rate of eight percent (8%) in DeKalb County; or
(5) after June 30, 2026, the rate of eight percent (8%) in Noble County.

The tax is imposed on the gross retail income derived from lodging income only and is in addition to the state gross retail tax imposed under IC 6-2.5.

(d) The county fiscal body may adopt an ordinance to require that the tax shall be paid monthly to the county treasurer. If such an ordinance is adopted, the tax shall be paid to the county treasurer not more than twenty (20) days after the end of the month the tax is collected. If such an ordinance is not adopted, the tax shall be imposed, paid, and collected in exactly the same manner as the state gross retail tax is imposed, paid, and collected under IC 6-2.5.

(e) All of the provisions of IC 6-2.5 relating to rights, duties, liabilities, procedures, penalties, definitions, exemptions, and administration are applicable to the imposition and administration of the tax imposed under this section except to the extent those provisions are in conflict or inconsistent with the specific provisions of this chapter or the requirements of the county treasurer. If the tax is paid to the department of state revenue, the return to be filed for the payment of the tax under this section may be either a separate return or may be combined with the return filed for the payment of the state gross retail tax as the department of state revenue may, by rule, determine.

(f) If the tax is paid to the department of state revenue, the amounts received from the tax imposed under this section shall be paid monthly by the treasurer of state to the county treasurer upon warrants issued by the state comptroller.

SECTION 123. IC 6-9-32-3, AS AMENDED BY P.L.9-2024, SECTION 245, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 3. (a) The fiscal body of a county may levy a tax on every person engaged in the business of renting or furnishing, for periods of less than thirty (30) days, any room or rooms, lodgings, or accommodations in any:

- (1) hotel;
- (2) motel;
- (3) boat motel;
- (4) inn; or

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(5) tourist cabin;

located in the county.

(b) The tax does not apply to gross income received in a transaction in which a person rents a room, lodging, or accommodations for a period of thirty (30) days or more.

(c) The tax may not exceed the rate of ~~five percent (5%)~~ **eight percent (8%)** on the gross retail income derived from lodging income only and is in addition to the state gross retail tax imposed under IC 6-2.5.

(d) The county fiscal body may adopt an ordinance to require that the tax shall be paid monthly to the county treasurer. If such an ordinance is adopted, the tax shall be paid to the county treasurer not more than twenty (20) days after the end of the month the tax is collected. If such an ordinance is not adopted, the tax shall be imposed, paid, and collected in exactly the same manner as the state gross retail tax is imposed, paid, and collected under IC 6-2.5.

(e) All of the provisions of IC 6-2.5 relating to rights, duties, liabilities, procedures, penalties, definitions, exemptions, and administration are applicable to the imposition and administration of the tax imposed under this section except to the extent those provisions are in conflict or inconsistent with the specific provisions of this chapter or the requirements of the county treasurer. If the tax is paid to the department of state revenue, the return to be filed for the payment of the tax under this section may be either a separate return or may be combined with the return filed for the payment of the state gross retail tax as the department of state revenue may, by rule, determine.

(f) If the tax is paid to the department of state revenue, the amounts received from the tax imposed under this section shall be paid monthly by the treasurer of state to the county treasurer upon warrants issued by the state comptroller.

SECTION 124. IC 6-9-78.2 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:

Chapter 78.2. Rush County Food and Beverage Tax

Sec. 1. This chapter applies to Rush County.

Sec. 2. The definitions in IC 6-9-12-1 apply throughout this chapter.

Sec. 3. (a) The fiscal body of the county may adopt an ordinance on or before December 31, 2026, to impose an excise tax, known as the county food and beverage tax, on transactions described in section 4 of this chapter. The fiscal body of the county may adopt an ordinance under this subsection only after the county fiscal



body has previously held at least one (1) separate public hearing in which a discussion of the proposed ordinance to impose the county food and beverage tax is the only substantive issue on the agenda for the public hearing.

(b) If the county fiscal body adopts an ordinance under subsection (a), the county fiscal body shall immediately send a certified copy of the ordinance to the department of state revenue.

(c) If the county fiscal body adopts an ordinance under subsection (a), the county food and beverage tax applies to transactions that occur after the later of the following:

(1) The day specified in the ordinance.

(2) The last day of the month that succeeds the month in which the ordinance is adopted.

Sec. 4. (a) Except as provided in subsection (c), a tax imposed under section 3 of this chapter applies to a transaction in which food or beverage is furnished, prepared, or served:

(1) for consumption at a location or on equipment provided by a retail merchant;

(2) in the county in which the tax is imposed; and

(3) by a retail merchant for consideration.

(b) Transactions described in subsection (a)(1) include transactions in which food or beverage is:

(1) served by a retail merchant off the merchant's premises;

(2) sold in a heated state or heated by a retail merchant;

(3) made of two (2) or more food ingredients, mixed or combined by a retail merchant for sale as a single item (other than food that is only cut, repackaged, or pasteurized by the seller, and eggs, fish, meat, poultry, and foods containing these raw animal foods requiring cooking by the consumer as recommended by the federal Food and Drug Administration in chapter 3, subpart 3-401.11 of its Food Code so as to prevent food borne illnesses); or

(4) sold with eating utensils provided by a retail merchant, including plates, knives, forks, spoons, glasses, cups, napkins, or straws (for purposes of this subdivision, a plate does not include a container or package used to transport food).

(c) The county food and beverage tax does not apply to the furnishing, preparing, or serving of a food or beverage in a transaction that is exempt, or to the extent the transaction is exempt, from the state gross retail tax imposed by IC 6-2.5.

Sec. 5. The county food and beverage tax rate:

(1) must be imposed in an increment of twenty-five



1 hundredths percent (0.25%); and
 2 (2) may not exceed one percent (1%);
 3 of the gross retail income received by the merchant from the food
 4 or beverage transaction described in section 4 of this chapter. For
 5 purposes of this chapter, the gross retail income received by the
 6 retail merchant from a transaction does not include the amount of
 7 tax imposed on the transaction under IC 6-2.5.

8 Sec. 6. A tax imposed under this chapter is imposed, paid, and
 9 collected in the same manner that the state gross retail tax is
 10 imposed, paid, and collected under IC 6-2.5. However, the return
 11 to be filed with the payment of the tax imposed under this chapter
 12 may be made on a separate return or may be combined with the
 13 return filed for the payment of the state gross retail tax, as
 14 prescribed by the department of state revenue.

15 Sec. 7. The amounts received from the tax imposed under this
 16 chapter shall be paid monthly by the treasurer of state to the
 17 county fiscal officer upon warrants issued by the state comptroller.

18 Sec. 8. (a) If a tax is imposed under section 3 of this chapter by
 19 the county, the county fiscal officer shall establish a food and
 20 beverage tax receipts fund.

21 (b) The county fiscal officer shall deposit in the fund all amounts
 22 received under this chapter.

23 (c) Money earned from the investment of money in the fund
 24 becomes a part of the fund.

25 Sec. 9. Money in the food and beverage tax receipts fund must
 26 be used by the county only for the following purposes:

27 (1) Economic development and tourism related purposes or
 28 facilities, including the purchase of land for economic
 29 development or tourism related purposes.

30 (2) The pledge of money under IC 5-1-14-4 for bonds, leases,
 31 or other obligations incurred for a purpose described in
 32 subdivision (1).

33 Revenue derived from the imposition of a tax under this chapter
 34 may be treated by the county as additional revenue for the purpose
 35 of fixing its budget for the budget year during which the revenues
 36 are to be distributed to the county.

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 county imposes the tax authorized by this**
 2 **chapter, the tax terminates on July 1, 2049.**

3 **(b) This chapter expires July 1, 2049.**

4 SECTION 125. IC 6-9-78.3 IS ADDED TO THE INDIANA CODE
 5 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE
 6 JULY 1, 2026]:

7 **Chapter 78.3. Greendale Food and Beverage Tax**

8 **Sec. 1. This chapter applies to the city of Greendale.**

9 **Sec. 2. The definitions in IC 6-9-12-1 apply throughout this**
 10 **chapter.**

11 **Sec. 3. (a) The fiscal body of the city may adopt an ordinance to**
 12 **impose an excise tax, known as the city food and beverage tax, on**
 13 **transactions described in section 4 of this chapter. The fiscal body**
 14 **of the city may adopt an ordinance under this subsection only after**
 15 **the city fiscal body has previously:**

16 (1) adopted a resolution in support of the proposed city food
 17 and beverage tax; and

18 (2) held at least one (1) separate public hearing in which a
 19 discussion of the proposed ordinance to impose the city food
 20 and beverage tax is the only substantive issue on the agenda
 21 for the public hearing.

22 **(b) If the city fiscal body adopts an ordinance under subsection**
 23 **(a), the city fiscal body shall immediately send a certified copy of**
 24 **the ordinance to the department of state revenue.**

25 **(c) If the city fiscal body adopts an ordinance under subsection**
 26 **(a), the city food and beverage tax applies to transactions that**
 27 **occur after the last day of the month following the month in which**
 28 **the ordinance is adopted.**

29 **Sec. 4. (a) Except as provided in subsection (c), a tax imposed**
 30 **under section 3 of this chapter applies to a transaction in which**
 31 **food or beverage is furnished, prepared, or served:**

32 (1) for consumption at a location or on equipment provided by
 33 a retail merchant;

34 (2) in the city; and

35 (3) by a retail merchant for consideration.

36 **(b) Transactions described in subsection (a)(1) include**
 37 **transactions in which food or beverage is:**

38 (1) served by a retail merchant off the merchant's premises;

39 (2) sold in a heated state or heated by a retail merchant;

40 (3) made of two (2) or more food ingredients, mixed or
 41 combined by a retail merchant for sale as a single item (other
 42 than food that is only cut, repackaged, or pasteurized by the



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seller, and eggs, fish, meat, poultry, and foods containing these raw animal foods requiring cooking by the consumer as recommended by the federal Food and Drug Administration in chapter 3, subpart 3-401.11 of its Food Code so as to prevent food borne illnesses); or

(4) sold with eating utensils provided by a retail merchant, including plates, knives, forks, spoons, glasses, cups, napkins, or straws (for purposes of this subdivision, a plate does not include a container or package used to transport the food).

(c) The city food and beverage tax does not apply to the furnishing, preparing, or serving of a food or beverage in a transaction that is exempt, or to the extent the transaction is exempt, from the state gross retail tax imposed by IC 6-2.5.

Sec. 5. The city food and beverage tax rate:

(1) must be imposed in an increment of twenty-five hundredths percent (0.25%); and

(2) may not exceed one percent (1%);

of the gross retail income received by the merchant from the food or beverage transaction described in section 4 of this chapter. For purposes of this chapter, the gross retail income received by the retail merchant from a transaction does not include the amount of tax imposed on the transaction under IC 6-2.5.

Sec. 6. A tax imposed under this chapter shall be imposed, paid, and collected in the same manner that the state gross retail tax is imposed, paid, and collected under IC 6-2.5. However, the return to be filed with the payment of the tax imposed under this chapter may be made on a separate return or may be combined with the return filed for the payment of the state gross retail tax, as prescribed by the department of state revenue.

Sec. 7. The amounts received from the tax imposed under this chapter shall be paid monthly by the treasurer of state to the city fiscal officer upon warrants issued by the state comptroller.

Sec. 8. (a) If a tax is imposed under section 3 of this chapter by the city, the city fiscal officer shall establish a food and beverage tax receipts fund.

(b) The city fiscal officer shall deposit in the fund all amounts received under this chapter.

(c) Money earned from the investment of money in the fund becomes a part of the fund.

Sec. 9. Money in the food and beverage tax receipts fund must be used by the city only for the following purposes:

(1) Park and recreation purposes, including the purchase of



land for park and recreation purposes.

(2) Economic development and tourism related purposes or facilities, including the purchase of land for economic development or tourism related purposes.

(3) The pledge of money under IC 5-1-14-4 for bonds, leases, or other obligations incurred for a purpose described in subdivisions (1) and (2).

Sec. 10. With respect to obligations for which a pledge has been made under section 9 of this chapter, the general assembly covenants with the holders of the obligations that this chapter will not be repealed or amended in a manner that will adversely affect the imposition or collection of the tax imposed under this chapter if the payment of any of the obligations is outstanding.

Sec. 11. (a) If the city imposes the tax authorized by this chapter, the tax terminates on January 1, 2048.

(b) This chapter expires January 1, 2048.

SECTION 126. IC 8-22-3.5-11, AS AMENDED BY P.L.86-2018, SECTION 144, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 11. (a) The state board of accounts and the department of local government finance shall make the rules and prescribe the forms and procedures that the state board of accounts and department consider appropriate for the implementation of this chapter.

(b) After each reassessment under IC 6-1.1-4, the ~~department of local government finance~~ **county auditor** shall, **on forms prescribed by the department of local government finance**, adjust the base assessed value (as defined in section 9 of this chapter) one (1) time to neutralize any effect of the reassessment on the property tax proceeds allocated to the airport development zone's special funds under section 9 of this chapter.

(c) After each annual adjustment under IC 6-1.1-4-4.5, the ~~department of local government finance~~ **county auditor** shall, **on forms prescribed by the department of local government finance**, adjust the base assessed value (as defined in section 9 of this chapter) to neutralize any effect of the annual adjustment on the property tax proceeds allocated to the airport development zone's special funds under section 9 of this chapter.

(d) The county auditor shall, in the manner prescribed by the department of local government finance, submit the forms required by this section to the department of local government finance no later than July 15 of each year.

SECTION 127. IC 9-13-2-96, AS AMENDED BY P.L.42-2025,

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SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 96. (a) "Manufactured home", ~~means~~, except as provided in subsections (b) and (c), a structure that:

- (1) is assembled in a factory;
- (2) bears a seal certifying that it was built in compliance with the federal Manufactured Housing Construction and Safety Standards Law (42 U.S.C. 5401 et seq.);
- (3) is designed to be transported from the factory to another site in one (1) or more units;
- (4) is suitable for use as a dwelling in any season; and
- (5) is more than thirty-five (35) feet long.

The term does not include a vehicle described in section 150(a)(2) of this chapter.

(b) "Manufactured home", for purposes of IC 9-17-6, means either of the following:

- (1) A structure having the meaning set forth in the federal Manufactured Housing Construction and Safety Standards Law of 1974 (42 U.S.C. 5401 et seq.);
- (2) A mobile home.

This subsection expires June 30, 2016: subsection (b), has the meaning set forth in 42 U.S.C. 5402(6), as amended. However, the term also includes a structure that meets the definition and is more than thirty-five (35) body feet in length but less than forty (40) body feet in length.

(c) (b) "Manufactured home", for purposes of IC 9-22-1.7, has the meaning set forth in IC 9-22-1.7-2.

SECTION 128. IC 9-22-1.5-1, AS AMENDED BY P.L.256-2017, SECTION 163, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. As used in this chapter, "mobile home" ~~means a nonself-propelled vehicle designed for occupancy as a dwelling or sleeping place.~~ **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 129. IC 9-22-1.7-2, AS ADDED BY P.L.198-2016, SECTION 377, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. As used in this chapter, "manufactured home" means either of the following:

- (1) ~~A nonself-propelled vehicle designed for occupancy as a dwelling or sleeping place.~~ **A manufactured home as defined in IC 9-13-2-96(a).**
- (2) ~~A dwelling, including the equipment sold as a part of the dwelling, that:~~



1 (A) is factory assembled;
 2 (B) is transportable;
 3 (C) is intended for year-round occupancy;
 4 (D) is designed for transportation on its own chassis; and
 5 (E) was manufactured before the effective date of the federal
 6 Manufactured Housing Construction and Safety Standards
 7 Law of 1974 (42 U.S.C. 5401 et seq.): **A mobile home (as**
 8 **defined in IC 9-13-2-103.2).**

9 SECTION 130. IC 16-18-2-215.5, AS ADDED BY P.L.87-2005,
 10 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 11 UPON PASSAGE]: Sec. 215.5. "Manufactured home", for purposes of
 12 IC 16-41-27, has the meaning set forth in ~~IC 22-12-1-16.~~
 13 **IC 9-13-2-96(a). The term includes a mobile home (as defined in**
 14 **IC 9-13-2-103.2).**

15 SECTION 131. IC 16-18-2-238 IS AMENDED TO READ AS
 16 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 238. "Mobile
 17 home", for purposes of IC 16-41-27, has meaning set forth in
 18 ~~IC 16-41-27-4.~~ **IC 9-13-2-103.2. The term includes a manufactured**
 19 **home (as defined in IC 9-13-2-96(a)).**

20 SECTION 132. IC 16-41-27-3.5, AS ADDED BY P.L.87-2005,
 21 SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 22 UPON PASSAGE]: Sec. 3.5. As used in this chapter, "manufactured
 23 home" has the meaning set forth in ~~IC 22-12-1-16.~~ **IC 9-13-2-96(a).**
 24 **The term includes a mobile home (as defined in IC 9-13-2-103.2).**

25 SECTION 133. IC 16-41-27-4, AS AMENDED BY P.L.87-2005,
 26 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 27 UPON PASSAGE]: Sec. 4. As used in this chapter, "mobile home"
 28 means a dwelling; including the equipment sold as a part of the
 29 dwelling; that:

30 (1) is factory assembled;
 31 (2) is transportable;
 32 (3) is intended for year-round occupancy;
 33 (4) is designed for transportation on its own chassis; and
 34 (5) was manufactured before the effective date of the federal
 35 Manufactured Housing Construction and Safety Standards Law of
 36 1974 (42 U.S.C. 5401 et seq.): **has the meaning set forth in**
 37 **IC 9-13-2-103.2. The term includes a manufactured home (as**
 38 **defined in IC 9-13-2-96(a)).**

39 SECTION 134. IC 22-12-1-14 IS AMENDED TO READ AS
 40 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 14. "Industrialized
 41 building system" means any part of a building or other structure that is
 42 in whole or in substantial part fabricated in an off-site manufacturing

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1 facility for installation or assembly at the building site as part of a Class
 2 1 structure, a Class 2 structure, or another building or structure.
 3 However, the term does not include a mobile structure, a
 4 **manufactured home**, or a system that is capable of inspection at the
 5 building site.

6 SECTION 135. IC 22-12-1-16, AS AMENDED BY P.L.198-2016,
 7 SECTION 651, IS AMENDED TO READ AS FOLLOWS
 8 [EFFECTIVE UPON PASSAGE]: Sec. 16. "Manufactured home" has
 9 the meaning set forth in 42 U.S.C. 5402 as it existed on January 1,
 10 2003. **IC 9-13-2-96(a).** The term includes a mobile home (as defined
 11 in ~~IC 16-41-27-4~~; **as defined in IC 9-13-2-103.2.**

12 SECTION 136. IC 22-12-1-17, AS AMENDED BY P.L.101-2006,
 13 SECTION 31, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 14 UPON PASSAGE]: Sec. 17. (a) "Mobile structure" means any part of
 15 a fabricated unit that is designed to be:

- 16 (1) towed ~~on its own~~ **with or without a permanent** chassis; and
- 17 (2) connected to utilities for year-round occupancy or use as a
 18 Class 1 structure, a Class 2 structure, or another structure.

19 (b) The term includes the following:

- 20 (1) Two (2) or more components that can be retracted for towing
 21 purposes and subsequently expanded for additional capacity.
- 22 (2) Two (2) or more units that are separately towable but designed
 23 to be joined into one (1) integral unit.
- 24 (3) One (1) or more units that include a hoisting and lowering
 25 mechanism equipped with a platform that:
 - 26 (A) moves between two (2) or more landings; and
 - 27 (B) is used to transport one (1) or more individuals.

28 SECTION 137. IC 25-23.7-2-7, AS AMENDED BY P.L.87-2005,
 29 SECTION 33, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 30 UPON PASSAGE]: Sec. 7. "Manufactured home" ~~means a:~~

- 31 ~~(1) dwelling meeting the definition set forth in IC 22-12-1-16; or~~
- 32 ~~(2) mobile home being installed in a mobile home community.~~
 33 **has the meaning set forth in IC 9-13-2-96(a). The term**
 34 **includes a mobile home (as defined in IC 9-13-2-103.2).**

35 SECTION 138. IC 25-23.7-2-7.5, AS ADDED BY P.L.87-2005,
 36 SECTION 34, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 37 UPON PASSAGE]: Sec. 7.5. "Mobile home" has the meaning set forth
 38 in ~~IC 16-41-27-4~~. **IC 9-13-2-103.2. The term includes a**
 39 **manufactured home (as defined in IC 9-13-2-96(a)).**

40 SECTION 139. IC 25-23.7-3-8, AS AMENDED BY P.L.84-2016,
 41 SECTION 108, IS AMENDED TO READ AS FOLLOWS
 42 [EFFECTIVE UPON PASSAGE]: Sec. 8. The board shall:



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- (1) enforce and administer this article;
- (2) adopt rules under IC 4-22-2 for the administration and enforcement of this article, including competency standards and a code of ethics for licensed installers;
- (3) prescribe the requirements for and the form of licenses issued or renewed under this article;
- (4) issue, deny, suspend, and revoke licenses in accordance with this article;
- (5) in accordance with IC 25-1-7, investigate and prosecute complaints involving licensees or individuals the board has reason to believe should be licensees, including complaints concerning the failure to comply with this article or rules adopted under this article;
- (6) bring actions in the name of the state of Indiana in an appropriate circuit court, superior court, or probate court to enforce compliance with this article or rules adopted under this article;
- (7) establish fees in accordance with IC 25-1-8;
- (8) inspect the records of a licensee in accordance with rules adopted by the board;
- (9) conduct or designate a board member or other representative to conduct public hearings on any matter for which a hearing is required under this article and to exercise all powers granted under IC 4-21.5; ~~and~~
- (10) maintain the board's office, files, records, and property in the city of Indianapolis; ~~and~~
- (11) ensure any certification or recertification required by 42 U.S.C. 5403, as amended, or any other provision of the federal Manufactured Housing Construction and Safety Standards Law (42 U.S.C. 5401 et seq.), is submitted to or has been included in a plan submitted to the secretary of the United States Department of Housing and Urban Development.**

SECTION 140. IC 26-1-9.1-102, AS AMENDED BY P.L. 199-2023, SECTION 40, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 102. (a) In IC 26-1-9.1:

- (1) "Accession" means goods that are physically united with other goods in such a manner that the identity of the original goods is not lost.
- (2) "Account", except as used in "account for", "account statement", "account to", "commodity account" in subdivision (14), "customer's account", "deposit account" in subdivision (29), "on account of", and "statement of account", means a right to

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1 payment of a monetary obligation, whether or not earned by
2 performance:

3 (A) for property that has been or is to be sold, leased, licensed,
4 assigned, or otherwise disposed of;

5 (B) for services rendered or to be rendered;

6 (C) for a policy of insurance issued or to be issued;

7 (D) for a secondary obligation incurred or to be incurred;

8 (E) for energy provided or to be provided;

9 (F) for the use or hire of a vessel under a charter or other
10 contract;

11 (G) arising out of the use of a credit or charge card or
12 information contained on or for use with the card; or

13 (H) as winnings in a lottery or other game of chance operated
14 or sponsored by a state other than Indiana, a governmental unit
15 of a state, or a person licensed or authorized to operate the
16 game by a state or governmental unit of a state.

17 The term does not include a right to a payment of a prize awarded
18 by the state lottery commission in the Indiana state lottery
19 established under IC 4-30. The term includes controllable
20 accounts and health-care-insurance receivables. The term does
21 not include (i) chattel paper, (ii) commercial tort claims, (iii)
22 deposit accounts, (iv) investment property, (v) letter-of-credit
23 rights or letters of credit, (vi) rights to payment for money or
24 funds advanced or sold, other than rights arising out of the use of
25 a credit or charge card or information contained on or for use with
26 the card, or (vii) rights to payment evidenced by an instrument.

27 (3) "Account debtor" means a person obligated on an account,
28 chattel paper, or general intangible. The term does not include
29 persons obligated to pay a negotiable instrument, even if the
30 negotiable instrument evidences chattel paper.

31 (4) "Accounting", except as used in "accounting for", means a
32 record:

33 (A) signed by a secured party;

34 (B) indicating the aggregate unpaid secured obligations as of
35 a date not more than thirty-five (35) days earlier or thirty-five
36 (35) days later than the date of the record; and

37 (C) identifying the components of the obligations in
38 reasonable detail.

39 (5) "Agricultural lien" means an interest, other than a security
40 interest, in farm products:

41 (A) that secures payment or performance of an obligation for:

42 (i) goods or services furnished in connection with a debtor's

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- 1 farming operation; or
 2 (ii) rent on real property leased by a debtor in connection
 3 with the debtor's farming operation;
 4 (B) that is created by statute in favor of a person that:
 5 (i) in the ordinary course of its business furnished goods or
 6 services to a debtor in connection with the debtor's farming
 7 operation; or
 8 (ii) leased real property to a debtor in connection with the
 9 debtor's farming operation; and
 10 (C) whose effectiveness does not depend on the person's
 11 possession of the personal property.
 12 (6) "As-extracted collateral" means:
 13 (A) oil, gas, or other minerals that are subject to a security
 14 interest that:
 15 (i) is created by a debtor having an interest in the minerals
 16 before extraction; and
 17 (ii) attaches to the minerals as extracted; or
 18 (B) accounts arising out of the sale at the wellhead or
 19 minehead of oil, gas, or other minerals in which the debtor had
 20 an interest before extraction.
 21 (7) The following terms have the following meanings:
 22 (A) "Assignee", except as used in "assignee for benefit of
 23 creditors", means a person (i) in whose favor a security interest
 24 that secures an obligation is created or provided for under a
 25 security agreement, whether or not the obligation is
 26 outstanding or (ii) to which an account, chattel paper, payment
 27 intangible, or promissory note has been sold. The term
 28 includes a person to which a security interest has been
 29 transferred by a secured party.
 30 (B) "Assignor" means a person that (i) under a security
 31 agreement creates or provides for a security interest that
 32 secures an obligation or (ii) sells an account, chattel paper,
 33 payment intangible, or promissory note. The term includes a
 34 secured party that has transferred a security interest to another
 35 person.
 36 (8) "Bank" means an organization that is engaged in the business
 37 of banking. The term includes savings banks, savings and loan
 38 associations, credit unions, and trust companies.
 39 (9) "Cash proceeds" means proceeds that are money, checks,
 40 deposit accounts, or the like.
 41 (10) "Certificate of title" means a certificate of title with respect
 42 to which a statute provides for the security interest in question to

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be indicated on the certificate as a condition or result of the security interest's obtaining priority over the rights of a lien creditor with respect to the collateral. The term includes another record maintained as an alternative to a certificate of title by the governmental unit that issues certificates of title if a statute permits the security interest in question to be indicated on the record as a condition or result of the security interest's obtaining priority over the rights of a lien creditor with respect to the collateral.

(11) "Chattel paper" means:

(A) a right to payment of a monetary obligation secured by specific goods, if the right to payment and security interest are evidenced by a record; or

(B) a right to payment of a monetary obligation owed by a lessee under a lease agreement with respect to specific goods and a monetary obligation owed by the lessee in connection with the transaction giving rise to the lease if:

(i) the right to payment and lease agreement are evidenced by a record; and

(ii) the predominant purpose of the transaction giving rise to the lease was to give the lessee the right to possession and use of the goods.

The term does not include a right to payment arising out of a charter or other contract involving the use or hire of a vessel, or a right to payment arising out of the use of a credit or charge card or information contained on or for use with the card.

(12) "Collateral" means the property subject to a security interest or agricultural lien. The term includes:

(A) proceeds to which a security interest attaches;

(B) accounts, chattel paper, payment intangibles, and promissory notes that have been sold; and

(C) goods that are the subject of a consignment.

(13) "Commercial tort claim" means a claim arising in tort with respect to which:

(A) the claimant is an organization; or

(B) the claimant is an individual and the claim:

(i) arose in the course of the claimant's business or profession; and

(ii) does not include damages arising out of personal injury to or the death of an individual.

(14) "Commodity account" means an account maintained by a commodity intermediary in which a commodity contract is carried

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for a commodity customer.

(15) "Commodity contract" means a commodity futures contract, an option on a commodity futures contract, a commodity option, or another contract if the contract or option is:

(A) traded on or subject to the rules of a board of trade that has been designated as a contract market for such a contract pursuant to federal commodities laws; or

(B) traded on a foreign commodity board of trade, exchange, or market, and is carried on the books of a commodity intermediary for a commodity customer.

(16) "Commodity customer" means a person for which a commodity intermediary carries a commodity contract on its books.

(17) "Commodity intermediary" means a person that:

(A) is registered as a futures commission merchant under federal commodities law; or

(B) in the ordinary course of its business provides clearance or settlement services for a board of trade that has been designated as a contract market pursuant to federal commodities law.

(18) "Communicate" means:

(A) to send a written or other tangible record;

(B) to transmit a record by any means agreed upon by the persons sending and receiving the record; or

(C) in the case of transmission of a record to or by a filing office, to transmit a record by any means prescribed by filing-office rule.

(19) "Consignee" means a merchant to which goods are delivered in a consignment.

(20) "Consignment" means a transaction, regardless of its form, in which a person delivers goods to a merchant for the purpose of sale and:

(A) the merchant:

(i) deals in goods of that kind under a name other than the name of the person making delivery;

(ii) is not an auctioneer; and

(iii) is not generally known by its creditors to be substantially engaged in selling the goods of others;

(B) with respect to each delivery, the aggregate value of the goods is one thousand dollars (\$1,000) or more at the time of delivery;

(C) the goods are not consumer goods immediately before



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- 1 delivery; and
 2 (D) the transaction does not create a security interest that
 3 secures an obligation.
 4 (21) "Consignor" means a person that delivers goods to a
 5 consignee in a consignment.
 6 (22) "Consumer debtor" means a debtor in a consumer
 7 transaction.
 8 (23) "Consumer goods" means goods that are used or bought for
 9 use primarily for personal, family, or household purposes.
 10 (24) "Consumer-goods transaction" means a consumer transaction
 11 in which:
 12 (A) an individual incurs an obligation primarily for personal,
 13 family, or household purposes; and
 14 (B) a security interest in consumer goods secures the
 15 obligation.
 16 (25) "Consumer obligor" means an obligor who is an individual
 17 and who incurred the obligation as part of a transaction entered
 18 into primarily for personal, family, or household purposes.
 19 (26) "Consumer transaction" means a transaction in which (i) an
 20 individual incurs an obligation primarily for personal, family, or
 21 household purposes, (ii) a security interest secures the obligation,
 22 and (iii) the collateral is held or acquired primarily for personal,
 23 family, or household purposes. The term includes
 24 consumer-goods transactions.
 25 (27) The following terms have the following meanings:
 26 (A) "Continuation statement" means an amendment of a
 27 financing statement that:
 28 (i) identifies, by its file number, the initial financing
 29 statement to which it relates; and
 30 (ii) indicates that it is a continuation statement for, or that it
 31 is filed to continue the effectiveness of, the identified
 32 financing statement.
 33 (B) "Controllable account" means an account evidenced by a
 34 controllable electronic record that provides that the account
 35 debtor undertakes to pay the person that has control under
 36 IC 26-1-12-105 of the controllable electronic record.
 37 (C) "Controllable payment intangible" means a payment
 38 intangible evidenced by a controllable electronic record that
 39 provides that the account debtor undertakes to pay the person
 40 that has control under IC 26-1-12-105 of the controllable
 41 electronic record.
 42 (28) "Debtor" means:

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- 1 (A) a person having an interest, other than a security interest
 2 or other lien, in the collateral, whether or not the person is an
 3 obligor;
 4 (B) a seller of accounts, chattel paper, payment intangibles, or
 5 promissory notes; or
 6 (C) a consignee.
- 7 (29) "Deposit account" means a demand, time, savings, passbook,
 8 or similar account maintained with a bank. The term does not
 9 include investment property or accounts evidenced by an
 10 instrument.
- 11 (30) "Document" means a document of title or a receipt of the
 12 type described in IC 26-1-7-201(b).
- 13 (31) [Reserved.]
- 14 (32) "Encumbrance" means a right, other than an ownership
 15 interest, in real property. The term includes mortgages and other
 16 liens on real property.
- 17 (33) "Equipment" means goods other than inventory, farm
 18 products, or consumer goods.
- 19 (34) "Farm products" means goods, other than standing timber,
 20 with respect to which the debtor is engaged in a farming operation
 21 and which are:
- 22 (A) crops grown, growing, or to be grown, including:
 23 (i) crops produced on trees, vines, and bushes; and
 24 (ii) aquatic goods produced in aquacultural operations;
 25 (B) livestock, born or unborn, including aquatic goods
 26 produced in aquacultural operations;
 27 (C) supplies used or produced in a farming operation; or
 28 (D) products of crops or livestock in their unmanufactured
 29 states.
- 30 (35) "Farming operation" means raising, cultivating, propagating,
 31 fattening, grazing, or any other farming, livestock, or aquacultural
 32 operation.
- 33 (36) "File number" means the number assigned to an initial
 34 financing statement pursuant to IC 26-1-9.1-519(a).
- 35 (37) "Filing office" means an office designated in IC 26-1-9.1-501
 36 as the place to file a financing statement.
- 37 (38) "Filing-office rule" means a rule adopted pursuant to
 38 IC 26-1-9.1-526.
- 39 (39) "Financing statement" means a record or records composed
 40 of an initial financing statement and any filed record relating to
 41 the initial financing statement.
- 42 (40) "Fixture filing" means the filing of a financing statement

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1 covering goods that are or are to become fixtures and satisfying
 2 IC 26-1-9.1-502(a) and IC 26-1-9.1-502(b). The term includes the
 3 filing of a financing statement covering goods of a transmitting
 4 utility which are or are to become fixtures.

5 (41) "Fixtures" means goods that have become so related to
 6 particular real property that an interest in them arises under real
 7 property law.

8 (42) "General intangible" means any personal property, including
 9 things in action, other than accounts, chattel paper, commercial
 10 tort claims, deposit accounts, documents, goods, instruments,
 11 investment property, letter-of-credit rights, letters of credit,
 12 money, and oil, gas, or other minerals before extraction. The term
 13 includes controllable electronic records, payment intangibles, and
 14 software.

15 (43) "Good faith" means honesty in fact and the observance of
 16 reasonable commercial standards of fair dealing.

17 (44) "Goods" means all things that are movable when a security
 18 interest attaches. The term includes (i) fixtures, (ii) standing
 19 timber that is to be cut and removed under a conveyance or
 20 contract for sale, (iii) the unborn young of animals, (iv) crops
 21 grown, growing, or to be grown, even if the crops are produced on
 22 trees, vines, or bushes, and (v) manufactured homes. The term
 23 also includes a computer program embedded in goods and any
 24 supporting information provided in connection with a transaction
 25 relating to the program if (i) the program is associated with the
 26 goods in such a manner that it customarily is considered part of
 27 the goods, or (ii) by becoming the owner of the goods, a person
 28 acquires a right to use the program in connection with the goods.
 29 The term does not include a computer program embedded in
 30 goods that consist solely of the medium in which the program is
 31 embedded. The term also does not include accounts, chattel
 32 paper, commercial tort claims, deposit accounts, documents,
 33 general intangibles, instruments, investment property,
 34 letter-of-credit rights, letters of credit, money, or oil, gas, or other
 35 minerals before extraction.

36 (45) "Governmental unit" means a subdivision, agency,
 37 department, county, parish, municipality, or other unit of the
 38 government of the United States, a state, or a foreign country. The
 39 term includes an organization having a separate corporate
 40 existence if the organization is eligible to issue debt on which
 41 interest is exempt from income taxation under the laws of the
 42 United States.



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(46) "Health-care-insurance receivable" means an interest in or claim under a policy of insurance that is a right to payment of a monetary obligation for health-care goods or services provided.

(47) "Instrument" means a negotiable instrument or any other writing that evidences a right to the payment of a monetary obligation, is not itself a security agreement or lease, and is of a type that in the ordinary course of business is transferred by delivery with any necessary endorsement or assignment. The term does not include (i) investment property, (ii) letters of credit, (iii) writings that evidence a right to payment arising out of the use of a credit or charge card or information contained on or for use with the card, or (iv) writings that evidence chattel paper.

(48) "Inventory" means goods, other than farm products, that:

(A) are leased by a person as lessor;

(B) are held by a person for sale or lease or to be furnished under a contract of service;

(C) are furnished by a person under a contract of service; or

(D) consist of raw materials, work in process, or materials used or consumed in a business.

(49) "Investment property" means a security, whether certificated or uncertificated, security entitlement, securities account, commodity contract, or commodity account.

(50) "Jurisdiction of organization", with respect to a registered organization, means the jurisdiction under whose law the organization is formed or organized.

(51) "Letter-of-credit right" means a right to payment or performance under a letter of credit, whether or not the beneficiary has demanded or is at the time entitled to demand payment or performance. The term does not include the right of a beneficiary to demand payment or performance under a letter of credit.

(52) "Lien creditor" means:

(A) a creditor that has acquired a lien on the property involved by attachment, levy, or the like;

(B) an assignee for benefit of creditors from the time of assignment;

(C) a trustee in bankruptcy from the date of the filing of the petition; or

(D) a receiver in equity from the time of appointment.

(53) "Manufactured home" means a structure, transportable in one (1) or more sections, which, in the traveling mode, is eight (8) body feet or more in width or forty (40) body feet or more in



length, or, when erected on site, is three hundred twenty (320) or more square feet, and which is built ~~on~~ **with or without** a permanent chassis and designed to be used as a dwelling with or without a permanent foundation when connected to the required utilities, and includes the plumbing, heating, air conditioning, and electrical systems contained therein. The term includes any structure that meets all of the requirements of this subdivision except the size requirements, and with respect to which the manufacturer voluntarily files a certification required by the United States Secretary of Housing and Urban Development and complies with the standards established under Title 42 of the United States Code.

(54) The following terms have the following meanings:

(A) "Manufactured-home transaction" means a secured transaction:

(i) that creates a purchase-money security interest in a manufactured home, other than a manufactured home held as inventory; or

(ii) in which a manufactured home, other than a manufactured home held as inventory, is the primary collateral.

(B) "Money" has the meaning set forth in IC 26-1-1-201(24), but does not include a deposit account.

(55) "Mortgage" means a consensual interest in real property, including fixtures, that secures payment or performance of an obligation.

(56) "New debtor" means a person that becomes bound as debtor under IC 26-1-9.1-203(d) by a security agreement previously entered into by another person.

(57) "New value" means (i) money, (ii) money's worth in property, services, or new credit, or (iii) release by a transferee of an interest in property previously transferred to the transferee. The term does not include an obligation substituted for another obligation.

(58) "Noncash proceeds" means proceeds other than cash proceeds.

(59) "Obligor" means a person that, with respect to an obligation secured by a security interest in or an agricultural lien on the collateral, (i) owes payment or other performance of the obligation, (ii) has provided property other than the collateral to secure payment or other performance of the obligation, or (iii) is otherwise accountable in whole or in part for payment or other



performance of the obligation. The term does not include issuers or nominated persons under a letter of credit.

(60) "Original debtor", except as used in IC 26-1-9.1-310(c), means a person that, as debtor, entered into a security agreement to which a new debtor has become bound under IC 26-1-9.1-203(d).

(61) "Payment intangible" means a general intangible under which the account debtor's principal obligation is a monetary obligation. The term includes a controllable payment intangible.

(62) "Person related to", with respect to an individual, means:

(A) the spouse of the individual;

(B) a brother, brother-in-law, sister, or sister-in-law of the individual;

(C) an ancestor or lineal descendant of the individual or the individual's spouse; or

(D) any other relative, by blood or marriage, of the individual or the individual's spouse who shares the same home with the individual.

(63) "Person related to", with respect to an organization, means:

(A) a person directly or indirectly controlling, controlled by, or under common control with the organization;

(B) an officer or director of, or a person performing similar functions with respect to, the organization;

(C) an officer or director of, or a person performing similar functions with respect to, a person described in clause (A);

(D) the spouse of an individual described in clause (A), (B), or (C); or

(E) an individual who is related by blood or marriage to an individual described in clause (A), (B), (C), or (D) and shares the same home with the individual.

(64) "Proceeds", except as used in IC 26-1-9.1-609(b), means the following property:

(A) Whatever is acquired upon the sale, lease, license, exchange, or other disposition of collateral.

(B) Whatever is collected on, or distributed on account of, collateral.

(C) Rights arising out of collateral.

(D) To the extent of the value of collateral, claims arising out of the loss, nonconformity, or interference with the use of, defects or infringement of rights in, or damage to, the collateral.

(E) To the extent of the value of collateral and to the extent

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- 1 payable to the debtor or the secured party, insurance payable
 2 by reason of the loss or nonconformity of, defects or
 3 infringement of rights in, or damage to, the collateral.
- 4 (65) "Promissory note" means an instrument that evidences a
 5 promise to pay a monetary obligation, does not evidence an order
 6 to pay, and does not contain an acknowledgment by a bank that
 7 the bank has received for deposit a sum of money or funds.
- 8 (66) "Proposal" means a record signed by a secured party that
 9 includes the terms on which the secured party is willing to accept
 10 collateral in full or partial satisfaction of the obligation it secures
 11 pursuant to IC 26-1-9.1-620, IC 26-1-9.1-621, and
 12 IC 26-1-9.1-622.
- 13 (67) "Public-finance transaction" means a secured transaction in
 14 connection with which:
- 15 (A) debt securities are issued;
 - 16 (B) all or a portion of the securities issued have an initial
 - 17 stated maturity of at least twenty (20) years; and
 - 18 (C) the debtor, obligor, secured party, account debtor, or other
 - 19 person obligated on collateral, assignor or assignee of a
 - 20 secured obligation, or assignor or assignee of a security
 - 21 interest is a state or a governmental unit of a state.
- 22 (68) "Public organic record" means a record that is available to
 23 the public for inspection and is:
- 24 (A) a record consisting of the record initially filed with or
 - 25 issued by a state or the United States to form or organize an
 - 26 organization and any record filed with or issued by the state or
 - 27 the United States which amends or restates the initial record;
 - 28 (B) an organic record of a business trust consisting of the
 - 29 record initially filed with a state and any record filed with the
 - 30 state which amends or restates the initial record, if a statute of
 - 31 the state governing business trusts requires that the record be
 - 32 filed with the state; or
 - 33 (C) a record consisting of legislation enacted by the legislature
 - 34 of a state or the Congress of the United States which forms or
 - 35 organizes an organization, any record amending the
 - 36 legislation, and any record filed with or issued by the state or
 - 37 the United States which amends or restates the name of the
 - 38 organization.
- 39 (69) "Pursuant to commitment", with respect to an advance made
 40 or other value given by a secured party, means pursuant to the
 41 secured party's obligation, whether or not a subsequent event of
 42 default or other event not within the secured party's control has

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1 relieved or may relieve the secured party from its obligation.

2 (70) "Record", except as used in "for record", "of record", "record
3 or legal title", and "record owner", means information that is
4 inscribed on a tangible medium or that is stored in an electronic
5 or other medium and is retrievable in perceivable form.

6 (71) "Registered organization" means an organization formed or
7 organized solely under the law of a single state or the United
8 States by the filing of a public organic record with, the issuance
9 of a public organic record by, or the enactment of legislation by
10 the state or the United States. The term includes a business trust
11 that is formed or organized under the law of a single state if a
12 statute of the state governing business trusts requires that the
13 business trust's organic record be filed with the state.

14 (72) "Secondary obligor" means an obligor to the extent that:

15 (A) the obligor's obligation is secondary; or

16 (B) the obligor has a right of recourse with respect to an
17 obligation secured by collateral against the debtor, another
18 obligor, or property of either.

19 (73) "Secured party" means:

20 (A) a person in whose favor a security interest is created or
21 provided for under a security agreement, whether or not any
22 obligation to be secured is outstanding;

23 (B) a person that holds an agricultural lien;

24 (C) a consignor;

25 (D) a person to which accounts, chattel paper, payment
26 intangibles, or promissory notes have been sold;

27 (E) a trustee, indenture trustee, agent, collateral agent, or other
28 representative in whose favor a security interest or agricultural
29 lien is created or provided for; or

30 (F) a person that holds a security interest arising under
31 IC 26-1-2-401, IC 26-1-2-505, IC 26-1-2-711(3),
32 IC 26-1-2.1-508(5), IC 26-1-4-210, or IC 26-1-5.1-118.

33 (74) "Security agreement" means an agreement that creates or
34 provides for a security interest.

35 (75) [Reserved.]

36 (76) "Software" means a computer program and any supporting
37 information provided in connection with a transaction relating to
38 the program. The term does not include a computer program that
39 is included in the definition of goods.

40 (77) "State" means a state of the United States, the District of
41 Columbia, Puerto Rico, the United States Virgin Islands, or any
42 territory or insular possession subject to the jurisdiction of the

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1 United States.

2 (78) "Supporting obligation" means a letter-of-credit right or
3 secondary obligation that supports the payment or performance of
4 an account, chattel paper, a document, a general intangible, an
5 instrument, or investment property.

6 (79) [Reserved.]

7 (80) "Termination statement" means an amendment of a financing
8 statement that:

9 (A) identifies, by its file number, the initial financing
10 statement to which it relates; and

11 (B) indicates either that it is a termination statement or that the
12 identified financing statement is no longer effective.

13 (81) "Transmitting utility" means a person primarily engaged in
14 the business of:

15 (A) operating a railroad, subway, street railway, or trolley bus;

16 (B) transmitting communications electrically,
17 electromagnetically, or by light;

18 (C) transmitting goods by pipeline or sewer; or

19 (D) transmitting or producing and transmitting electricity,
20 steam, gas, or water.

21 (b) "Control" as provided in IC 26-1-7-106 and the following
22 definitions outside IC 26-1-9.1 apply to IC 26-1-9.1:

23 "Applicant" IC 26-1-5.1-102.

24 "Beneficiary" IC 26-1-5.1-102.

25 "Broker" IC 26-1-8.1-102.

26 "Certificated security" IC 26-1-8.1-102.

27 "Check" IC 26-1-3.1-104.

28 "Clearing corporation" IC 26-1-8.1-102.

29 "Contract for sale" IC 26-1-2-106.

30 "Controllable electronic record" IC 26-1-12-102.

31 "Customer" IC 26-1-4-104.

32 "Entitlement holder" IC 26-1-8.1-102.

33 "Financial asset" IC 26-1-8.1-102.

34 "Holder in due course" IC 26-1-3.1-302.

35 "Issuer" (with respect to a letter of credit or letter-of-credit right)
36 IC 26-1-5.1-102.

37 "Issuer" (with respect to a security) IC 26-1-8.1-201.

38 "Issuer" (with respect to documents of title) IC 26-1-7-102.

39 "Lease" IC 26-1-2.1-103.

40 "Lease agreement" IC 26-1-2.1-103.

41 "Lease contract" IC 26-1-2.1-103.

42 "Leasehold interest" IC 26-1-2.1-103.

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- 1 "Lessee" IC 26-1-2.1-103.
 2 "Lessee in ordinary course of business" IC 26-1-2.1-103.
 3 "Lessor" IC 26-1-2.1-103.
 4 "Lessor's residual interest" IC 26-1-2.1-103.
 5 "Letter of credit" IC 26-1-5.1-102.
 6 "Merchant" IC 26-1-2-104.
 7 "Negotiable instrument" IC 26-1-3.1-104.
 8 "Nominated person" IC 26-1-5.1-102.
 9 "Note" IC 26-1-3.1-104.
 10 "Proceeds of a letter of credit" IC 26-1-5.1-114.
 11 "Protected purchaser" IC 26-1-8.1-303.
 12 "Prove" IC 26-1-3.1-103.
 13 "Qualifying purchaser" IC 26-1-12-102.
 14 "Sale" IC 26-1-2-106.
 15 "Securities account" IC 26-1-8.1-501.
 16 "Securities intermediary" IC 26-1-8.1-102.
 17 "Security" IC 26-1-8.1-102.
 18 "Security certificate" IC 26-1-8.1-102.
 19 "Security entitlement" IC 26-1-8.1-102.
 20 "Uncertificated security" IC 26-1-8.1-102.
 21 (c) IC 26-1-1 contains general definitions and principles of
 22 construction and interpretation applicable throughout IC 26-1-9.1.
 23 SECTION 141. IC 36-1-12-3, AS AMENDED BY P.L.86-2025,
 24 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 25 JANUARY 1, 2026 (RETROACTIVE)]: Sec. 3. (a) The board may
 26 purchase or lease materials in the manner provided in IC 5-22 and
 27 perform any public work, by means of its own workforce, without
 28 awarding a contract whenever the cost of that public work project is
 29 estimated to be less than three hundred seventy-five thousand dollars
 30 (\$375,000), adjusted annually by ~~the~~ **an amount equal to the**
 31 **unadjusted** percentage change **for all items** in the Consumer Price
 32 Index for all Urban Consumers as published by the United States
 33 Bureau of Labor Statistics **for the immediately preceding year. On**
 34 **or before January 15, 2026, and on or before January 1 of each**
 35 **year thereafter**, the department of local government finance shall
 36 annually publish the adjusted cost estimate threshold for the current
 37 year, determined in the manner required by this subsection, ~~on the~~
 38 ~~department's website; in the Indiana Register under IC 4-22-7-7. For~~
 39 **purposes of applying the annual cost estimate threshold**
 40 **adjustment, the annual percentage change is applied to the**
 41 **adjusted amount for the immediately preceding year.**
 42 (b) Before a board may perform any work under this section by



means of its own workforce, the political subdivision or agency must have a group of employees on its staff who are capable of performing the construction, maintenance, and repair applicable to that work.

(c) For purposes of ~~this subsection~~, **determining** the cost of a public work project, **the cost** includes:

- (1) the actual cost of materials, labor, equipment, and rental;
- (2) a reasonable rate for use of trucks and heavy equipment owned; and
- (3) all other expenses incidental to the performance of the project.

~~(b)~~ (d) This subsection applies only to a municipality or a county. The workforce of a municipality or county may perform a public work described in subsection (a) only if:

- (1) the workforce, through demonstrated skills, training, or expertise, is capable of performing the public work; and
- (2) for a public work project under subsection (a) whose cost is estimated to be more than one hundred thousand dollars (\$100,000), the board:

(A) publishes a notice under IC 5-3-1 that:

- (i) describes the public work that the board intends to perform with its own workforce; and
- (ii) sets forth the projected cost of each component of the public work as described in subsection (a); and

(B) determines at a public meeting that it is in the public interest to perform the public work with the board's own workforce.

A public work project performed by a board's own workforce must be inspected and accepted as complete in the same manner as a public work project performed under a contract awarded after receiving bids.

~~(c)~~ (e) When the project involves the rental of equipment with an operator furnished by the owner, or the installation or application of materials by the supplier of the materials, the project is considered to be a public work project and subject to this chapter. However, an annual contract may be awarded for equipment rental and materials to be installed or applied during a calendar or fiscal year if the proposed project or projects are described in the bid specifications.

~~(d)~~ (f) A board of aviation commissioners or an airport authority board may purchase or lease materials in the manner provided in IC 5-22 and perform any public work by means of its own workforce and owned or leased equipment, in the construction, maintenance, and repair of any airport roadway, runway, taxiway, or aircraft parking apron whenever the cost of that public work project is estimated to be less than one hundred fifty thousand dollars (\$150,000).

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(~~e~~) (g) Municipal and county hospitals must comply with this chapter for all contracts for public work that are financed in whole or in part with cumulative building fund revenue, as provided in section 1(c) of this chapter. However, if the cost of the public work is estimated to be less than fifty thousand dollars (\$50,000), as reflected in the board minutes, the hospital board may have the public work done without receiving bids, by purchasing the materials and performing the work by means of its own workforce and owned or leased equipment.

(~~f~~) (h) If a public works project involves a structure, an improvement, or a facility under the control of a public highway department that is under the political control of a unit (as defined in IC 36-1-2-23) and involved in the construction, maintenance, or repair of a public highway (as defined in IC 9-25-2-4), the department may not artificially divide the project to bring any part of the project under this section.

SECTION 142. IC 36-1-12.5-10, AS AMENDED BY P.L.233-2015, SECTION 331, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 10. The governing body shall

(~~1~~) ~~provide submit the following~~ to the director of the department of local government ~~finance~~ **finance's computer gateway** not more than sixty (60) days after the date of execution of the guaranteed savings contract:

(~~A~~) (1) A copy of the executed guaranteed savings contract.

(~~B~~) (2) The:

(i) (A) energy or water consumption costs;

(ii) (B) wastewater usage costs; and

(iii) (C) billable revenues, if any;

before the date of execution of the guaranteed savings contract. ~~and~~

(~~C~~) (3) The documentation using industry engineering standards for:

(i) (A) stipulated savings; and

(ii) (B) related capital expenditures. ~~and~~

(2) ~~annually report to the director of the department of local government finance, in accordance with procedures established by the department, the savings resulting in the previous year from the guaranteed savings contract or utility efficiency program.~~

SECTION 143. IC 36-1-12.5-12, AS AMENDED BY P.L.233-2015, SECTION 332, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 12. (~~a~~) An improvement that is not causally connected to a conservation measure may be included in a guaranteed savings contract if:



(1) the total value of the improvement does not exceed fifteen percent (15%) of the total value of the guaranteed savings contract; and

(2) either:

(A) the improvement is necessary to conform to a law, a rule, or an ordinance; or

(B) an analysis within the guaranteed savings contract demonstrates that:

(i) there is an economic advantage to the political subdivision in implementing an improvement as part of the guaranteed savings contract; and

(ii) the savings justification for the improvement is documented by industry engineering standards.

~~(b) The information required under subsection (a) must be reported to the director of the department of local government finance.~~

SECTION 144. IC 36-1-20-3.6 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: **Sec. 3.6. (a) A unit may not adopt or enforce an ordinance, resolution, regulation, policy, or rule that:**

(1) prohibits or restricts an owner of a privately owned residential property from using the property as a rental property; or

(2) has the effect of prohibiting or restricting the use of property as a rental property.

(b) This section does not prohibit a unit from enforcing any:

(1) generally applicable health and safety regulations;

(2) building codes, fire codes, or reasonable occupancy standards; or

(3) registration or inspection requirements set forth in this chapter, provided the requirements do not operate to impose a cap or limit described in subsection (a).

SECTION 145. IC 36-2-11-14.5, AS AMENDED BY P.L.127-2017, SECTION 79, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 14.5. (a) As used in this section, "manufactured home" has the meaning set forth in ~~IC 9-13-2-96(b)~~. IC 9-13-2-96(a). The term includes a mobile home (as defined in IC 9-13-2-103.2).**

(b) As used in this section, "mobile home" has the meaning set forth in ~~IC 6-1-1-7-1(b)~~. IC 9-13-2-103.2. The term includes a manufactured home (as defined in IC 9-13-2-96(a)).

(c) A person must do the following to record a purchase contract that is subject to IC 9-17-6-17:



(1) Submit the following to the county recorder:

(A) A copy of the title to the manufactured home or mobile home.

(B) An affidavit stating whether the contract requires the seller or the buyer to pay the property taxes imposed on the manufactured home or mobile home.

(2) Pay any applicable recording fees.

(d) The county recorder shall record a purchase contract submitted for recording under IC 9-17-6-17 by a person who complies with subsection (c). The county recorder shall do the following:

(1) Provide the information described in subsection (c)(1) to the county treasurer with respect to each contract recorded under this section.

(2) Notify the township assessor of the township in which the mobile home is located, or to which the mobile home will be moved, that a contract for the sale of the mobile home has been recorded. If there is no township assessor for the township, the county recorder shall provide the notice required by this subdivision to the county assessor.

SECTION 146. IC 36-4-3-19, AS AMENDED BY P.L.104-2022, SECTION 160, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 19. (a) If disannexation is ordered under this chapter by the works board of a municipality and no appeal is taken, the clerk of the municipality shall, without compensation and not later than ten (10) days after the order is made, make and certify a complete transcript of the disannexation proceedings to the auditor of each county in which the disannexed lots or lands lie and to the office of the secretary of state. The county auditor shall list those lots or lands appropriately for taxation. The proceedings of the works board shall not be certified to the county auditor or to the office of the secretary of state if an appeal to the circuit court has been taken.

(b) In all proceedings begun in or appealed to the circuit court, if vacation or disannexation is ordered, the clerk of the court shall immediately after the judgment of the court, or after a decision on appeal to the supreme court or court of appeals if the judgment on appeal is not reversed, certify the judgment of the circuit court, as affirmed or modified, to each of the following:

(1) The auditor of each county in which the lands or lots affected lie, on receipt of one dollar (\$1) for the making and certifying of the transcript from the petitioners for the disannexation.

(2) The office of the secretary of state.

(3) The circuit court clerk of each county in which the lands or

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lots affected are located.

(4) The county election board of each county in which the lands or lots affected are located.

(5) If a board of registration exists, the board of each county in which the lands or lots affected are located.

(6) The office of census data established by IC 2-5-1.1-12.2.

(c) The county auditor shall forward a list of lots or lands disannexed under this section to the following:

(1) The county highway department of each county in which the lands or lots affected are located.

(2) The county surveyor of each county in which the lands or lots affected are located.

(3) Each plan commission, if any, that lost or gained jurisdiction over the disannexed territory.

(4) The township trustee of each township that lost or gained jurisdiction over the disannexed territory.

(5) The sheriff of each county in which the lands or lots affected are located.

(6) The office of the secretary of state.

(7) The office of census data established by IC 2-5-1.1-12.2.

(8) The department of local government finance, not later than August 1, in the manner described by the department.

(9) The state GIS officer (as defined in IC 4-23-7.3-10), not later than August 1, in the manner prescribed by the state GIS officer (as defined in IC 4-23-7.3-10).

The county auditor may require the clerk of the municipality to furnish an adequate number of copies of the list of disannexed lots or lands or may charge the clerk a fee for photoreproduction of the list.

(d) A disannexation described by this section takes effect upon the clerk of the municipality filing the order with:

(1) the county auditor of each county in which the annexed territory is located; and

(2) the circuit court clerk, or if a board of registration exists, the board of each county in which the annexed territory is located.

(e) The clerk of the municipality shall notify the office of the secretary of state and the office of census data established by IC 2-5-1.1-12.2 of the date a disannexation is effective under this chapter.

SECTION 147. IC 36-4-3-22, AS AMENDED BY P.L.38-2021, SECTION 84, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 22. (a) The clerk of the municipality shall file:

(1) each annexation ordinance against which:

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- (A) a remonstrance or an appeal has not been filed during the period permitted under this chapter; or
- (B) a remonstrance was filed without a sufficient number of signatures to meet the requirements of section 11.3(c) of this chapter, in the case of an annexation for which an annexation ordinance was adopted after June 30, 2015; or
- (2) the certified copy of a final and unappealable judgment ordering an annexation to take place;
- with the county auditor, circuit court clerk, and board of registration (if a board of registration exists) of each county in which the annexed territory is located, the office of the secretary of state, and the office of census data established by IC 2-5-1.1-12.2. The clerk of the municipality shall record each annexation ordinance adopted under this chapter in the office of the county recorder of each county in which the annexed territory is located.
- (b) The ordinance or judgment must be filed and recorded no later than ninety (90) days after:
- (1) the expiration of the period permitted for a remonstrance or appeal;
 - (2) the delivery of a certified order under section 15 of this chapter; or
 - (3) the date the county auditor files the written certification with the legislative body under section 11.2 of this chapter, in the case of an annexation described in subsection (a)(1)(B).
- (c) Failure to record the annexation ordinance as provided in subsection (a) does not invalidate the ordinance.
- (d) The county auditor shall forward a copy of any annexation ordinance filed under this section to the following:
- (1) The county highway department of each county in which the lots or lands affected are located.
 - (2) The county surveyor of each county in which the lots or lands affected are located.
 - (3) Each plan commission, if any, that lost or gained jurisdiction over the annexed territory.
 - (4) The sheriff of each county in which the lots or lands affected are located.
 - (5) The township trustee of each township that lost or gained jurisdiction over the annexed territory.
 - (6) The office of the secretary of state.
 - (7) The office of census data established by IC 2-5-1.1-12.2.
 - (8) The department of local government finance, not later than August 1, in the manner described by the department.

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(9) The state GIS officer (as defined in IC 4-23-7.3-10), not later than August 1, in the manner prescribed by the state GIS officer (as defined in IC 4-23-7.3-10).

(e) The county auditor may require the clerk of the municipality to furnish an adequate number of copies of the annexation ordinance or may charge the clerk a fee for photoreproduction of the ordinance. The county auditor shall notify the office of the secretary of state and the office of census data established by IC 2-5-1.1-12.2 of the date that the annexation ordinance is effective under this chapter.

(f) The county auditor or county surveyor shall, upon determining that an annexation ordinance has become effective under this chapter, indicate the annexation upon the property taxation records maintained in the office of the auditor or the office of the county surveyor.

SECTION 148. IC 36-7-14-39, AS AMENDED BY P.L.181-2025, SECTION 20, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 39. (a) As used in this section:

"Allocation area" means that part of a redevelopment project area to which an allocation provision of a declaratory resolution adopted under section 15 of this chapter refers for purposes of distribution and allocation of property taxes.

"Base assessed value" means, subject to subsection (j), the following:

(1) If an allocation provision is adopted after June 30, 1995, in a declaratory resolution or an amendment to a declaratory resolution establishing an economic development area:

(A) the net assessed value of all the property as finally determined for the assessment date immediately preceding the effective date of the allocation provision of the declaratory resolution, as adjusted under subsection (h); plus

(B) to the extent that it is not included in clause (A), the net assessed value of property that is assessed as residential property under the rules of the department of local government finance, within the allocation area, as finally determined for the current assessment date.

(2) If an allocation provision is adopted after June 30, 1997, in a declaratory resolution or an amendment to a declaratory resolution establishing a redevelopment project area:

(A) the net assessed value of all the property as finally determined for the assessment date immediately preceding the effective date of the allocation provision of the declaratory resolution, as adjusted under subsection (h); plus

(B) to the extent that it is not included in clause (A), the net

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assessed value of property that is assessed as residential property under the rules of the department of local government finance, as finally determined for the current assessment date.

(3) If:

(A) an allocation provision adopted before June 30, 1995, in a declaratory resolution or an amendment to a declaratory resolution establishing a redevelopment project area expires after June 30, 1997; and

(B) after June 30, 1997, a new allocation provision is included in an amendment to the declaratory resolution;

the net assessed value of all the property as finally determined for the assessment date immediately preceding the effective date of the allocation provision adopted after June 30, 1997, as adjusted under subsection (h).

(4) Except as provided in subdivision (5), for all other allocation areas, the net assessed value of all the property as finally determined for the assessment date immediately preceding the effective date of the allocation provision of the declaratory resolution, as adjusted under subsection (h).

(5) If an allocation area established in an economic development area before July 1, 1995, is expanded after June 30, 1995, the definition in subdivision (1) applies to the expanded part of the area added after June 30, 1995.

(6) If an allocation area established in a redevelopment project area before July 1, 1997, is expanded after June 30, 1997, the definition in subdivision (2) applies to the expanded part of the area added after June 30, 1997.

Except as provided in section 39.3 of this chapter, "property taxes" means taxes imposed under IC 6-1.1 on real property. However, upon approval by a resolution of the redevelopment commission adopted before June 1, 1987, "property taxes" also includes taxes imposed under IC 6-1.1 on depreciable personal property. If a redevelopment commission adopted before June 1, 1987, a resolution to include within the definition of property taxes, taxes imposed under IC 6-1.1 on depreciable personal property that has a useful life in excess of eight (8) years, the commission may by resolution determine the percentage of taxes imposed under IC 6-1.1 on all depreciable personal property that will be included within the definition of property taxes. However, the percentage included must not exceed twenty-five percent (25%) of the taxes imposed under IC 6-1.1 on all depreciable personal property.

(b) A declaratory resolution adopted under section 15 of this chapter on or before the allocation deadline determined under subsection (i)

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1 may include a provision with respect to the allocation and distribution
 2 of property taxes for the purposes and in the manner provided in this
 3 section. A declaratory resolution previously adopted may include an
 4 allocation provision by the amendment of that declaratory resolution on
 5 or before the allocation deadline determined under subsection (i) in
 6 accordance with the procedures required for its original adoption. A
 7 declaratory resolution or amendment that establishes an allocation
 8 provision must include a specific finding of fact, supported by
 9 evidence, that the adoption of the allocation provision will result in
 10 new property taxes in the area that would not have been generated but
 11 for the adoption of the allocation provision. For an allocation area
 12 established before July 1, 1995, the expiration date of any allocation
 13 provisions for the allocation area is June 30, 2025, or the last date of
 14 any obligations that are outstanding on July 1, 2015, whichever is later.
 15 A declaratory resolution or an amendment that establishes an allocation
 16 provision after June 30, 1995, must specify an expiration date for the
 17 allocation provision. For an allocation area established before July 1,
 18 2008, the expiration date may not be more than thirty (30) years after
 19 the date on which the allocation provision is established. For an
 20 allocation area established after June 30, 2008, the expiration date may
 21 not be more than twenty-five (25) years after the date on which the first
 22 obligation was incurred to pay principal and interest on bonds or lease
 23 rentals on leases payable from tax increment revenues. However, with
 24 respect to bonds or other obligations that were issued before July 1,
 25 2008, if any of the bonds or other obligations that were scheduled when
 26 issued to mature before the specified expiration date and that are
 27 payable only from allocated tax proceeds with respect to the allocation
 28 area remain outstanding as of the expiration date, the allocation
 29 provision does not expire until all of the bonds or other obligations are
 30 no longer outstanding. Notwithstanding any other law, in the case of an
 31 allocation area that is established after June 30, 2019, and that is
 32 located in a redevelopment project area described in section
 33 25.1(c)(3)(C) of this chapter, an economic development area described
 34 in section 25.1(c)(3)(C) of this chapter, or an urban renewal project
 35 area described in section 25.1(c)(3)(C) of this chapter, the expiration
 36 date of the allocation provision may not be more than thirty-five (35)
 37 years after the date on which the allocation provision is established.
 38 The allocation provision may apply to all or part of the redevelopment
 39 project area. The allocation provision must require that any property
 40 taxes subsequently levied by or for the benefit of any public body
 41 entitled to a distribution of property taxes on taxable property in the
 42 allocation area be allocated and distributed as follows:

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

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

(B) the base assessed value; shall be allocated to and, when collected, paid into the funds of the respective taxing units.

(2) This subdivision applies to a fire protection territory established after December 31, 2022. If a unit becomes a participating unit of a fire protection territory that is established after a declaratory resolution is adopted under section 15 of this chapter, the excess of the proceeds of the property taxes attributable to an increase in the property tax rate for the participating unit of a fire protection territory:

(A) except as otherwise provided by this subdivision, shall be determined as follows:

STEP ONE: Divide the unit's tax rate for fire protection for the year before the establishment of the fire protection territory by the participating unit's tax rate as part of the fire protection territory.

STEP TWO: Subtract the STEP ONE amount from one (1).

STEP THREE: Multiply the STEP TWO amount by the allocated property tax attributable to the participating unit of the fire protection territory; and

(B) to the extent not otherwise included in subdivisions (1) and (3), the amount determined under STEP THREE of clause (A) shall be allocated to and distributed in the form of an allocated property tax revenue pass back to the participating unit of the fire protection territory for the assessment date with respect to which the allocation is made.

However, if the redevelopment commission determines that it is unable to meet its debt service obligations with regards to the allocation area without all or part of the allocated property tax revenue pass back to the participating unit of a fire protection area under this subdivision, then the allocated property tax revenue pass back under this subdivision shall be reduced by the amount necessary for the redevelopment commission to meet its debt service obligations of the allocation area. The calculation under this subdivision must be made by the redevelopment commission in collaboration with the county auditor and the applicable fire protection territory. Any calculation determined according to

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1 clause (A) must be submitted to the department of local
 2 government finance in the manner prescribed by the department
 3 of local government finance. The department of local government
 4 finance shall verify the accuracy of each calculation.

5 (3) The excess of the proceeds of the property taxes imposed for
 6 the assessment date with respect to which the allocation and
 7 distribution is made that are attributable to taxes imposed after
 8 being approved by the voters in a referendum or local public
 9 question conducted after April 30, 2010, not otherwise included
 10 in subdivisions (1) and (2) shall be allocated to and, when
 11 collected, paid into the funds of the taxing unit for which the
 12 referendum or local public question was conducted.

13 (4) Except as otherwise provided in this section, property tax
 14 proceeds in excess of those described in subdivisions (1), (2), and
 15 (3) shall be allocated to the redevelopment district and, when
 16 collected, paid into an allocation fund for that allocation area that
 17 may be used by the redevelopment district only to do one (1) or
 18 more of the following:

19 (A) Pay the principal of and interest on any obligations
 20 payable solely from allocated tax proceeds which are incurred
 21 by the redevelopment district for the purpose of financing or
 22 refinancing the redevelopment of that allocation area.

23 (B) Establish, augment, or restore the debt service reserve for
 24 bonds payable solely or in part from allocated tax proceeds in
 25 that allocation area.

26 (C) Pay the principal of and interest on bonds payable from
 27 allocated tax proceeds in that allocation area and from the
 28 special tax levied under section 27 of this chapter.

29 (D) Pay the principal of and interest on bonds issued by the
 30 unit to pay for local public improvements that are physically
 31 located in or physically connected to that allocation area.

32 (E) Pay premiums on the redemption before maturity of bonds
 33 payable solely or in part from allocated tax proceeds in that
 34 allocation area.

35 (F) Make payments on leases payable from allocated tax
 36 proceeds in that allocation area under section 25.2 of this
 37 chapter.

38 (G) Reimburse the unit for expenditures made by it for local
 39 public improvements (which include buildings, parking
 40 facilities, and other items described in section 25.1(a) of this
 41 chapter) that are physically located in or physically connected
 42 to that allocation area.

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(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.

(K) Reimburse public and private entities for expenses incurred in training employees of industrial facilities that are located:

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- (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 within three (3) years after the date on which the investments that are the basis for the increment financing are made.

(L) 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 (K), 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.

(M) Expend money and provide financial assistance as authorized in section 12.2(a)(27) of this chapter.

(N) Expend revenues that are allocated for police and fire services on both capital expenditures and operating expenses as authorized in section 12.2(a)(28) of this chapter.

The allocation fund may not be used for operating expenses of the commission.

(5) Except as provided in subsection (g), 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

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1 exceed the amount of assessed value needed to produce the
 2 property taxes necessary to make, when due, principal and
 3 interest payments on bonds described in subdivision (4), plus
 4 the amount necessary for other purposes described in
 5 subdivision (4).

6 (B) Provide a written notice to the county auditor, the fiscal
 7 body of the county or municipality that established the
 8 department of redevelopment, and the officers who are
 9 authorized to fix budgets, tax rates, and tax levies under
 10 IC 6-1.1-17-5 for each of the other taxing units that is wholly
 11 or partly located within the allocation area. The county auditor,
 12 upon receiving the notice, shall forward this notice (in an
 13 electronic format) to the department of local government
 14 finance not later than June 15 of each year. The notice must:

15 (i) state the amount, if any, of excess assessed value that the
 16 commission has determined may be allocated to the
 17 respective taxing units in the manner prescribed in
 18 subdivision (1); or

19 (ii) state that the commission has determined that there is no
 20 excess assessed value that may be allocated to the respective
 21 taxing units in the manner prescribed in subdivision (1).

22 The county auditor shall allocate to the respective taxing units
 23 the amount, if any, of excess assessed value determined by the
 24 commission. The commission may not authorize an allocation
 25 of assessed value to the respective taxing units under this
 26 subdivision if to do so would endanger the interests of the
 27 holders of bonds described in subdivision (4) or lessors under
 28 section 25.3 of this chapter. **If a commission fails to provide**
 29 **the notice under this clause, the county auditor shall**
 30 **allocate five percent (5%) of the assessed value in the**
 31 **allocation area that is used to calculate the allocation and**
 32 **distribution of allocated tax proceeds under this section to**
 33 **the respective taxing units. However, if the commission**
 34 **notifies the county auditor and the department of local**
 35 **government finance, no later than July 1, that it is unable**
 36 **to meet its debt service obligations with regard to the**
 37 **allocation area without all or part of the allocated tax**
 38 **proceeds attributed to the assessed value that has been**
 39 **allocated to the respective taxing units, then the county**
 40 **auditor may not allocate five percent (5%) of the assessed**
 41 **value in the allocation area that is used to calculate the**
 42 **allocation and distribution of allocated tax proceeds under**

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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 date of the allocation provision of the declaratory resolution is the lesser of:

(1) the assessed value of the property for the assessment date with

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1 respect to which the allocation and distribution is made; or

2 (2) the base assessed value.

3 (d) Property tax proceeds allocable to the redevelopment district
4 under subsection (b)(4) may, subject to subsection (b)(5), be
5 irrevocably pledged by the redevelopment district for payment as set
6 forth in subsection (b)(4).

7 (e) Notwithstanding any other law, each assessor shall, upon
8 petition of the redevelopment commission, reassess the taxable
9 property situated upon or in, or added to, the allocation area, effective
10 on the next assessment date after the petition.

11 (f) Notwithstanding any other law, the assessed value of all taxable
12 property in the allocation area, for purposes of tax limitation, property
13 tax replacement, and formulation of the budget, tax rate, and tax levy
14 for each political subdivision in which the property is located is the
15 lesser of:

16 (1) the assessed value of the property as valued without regard to
17 this section; or

18 (2) the base assessed value.

19 (g) If any part of the allocation area is located in an enterprise zone
20 created under IC 5-28-15, the unit that designated the allocation area
21 shall create funds as specified in this subsection. A unit that has
22 obligations, bonds, or leases payable from allocated tax proceeds under
23 subsection (b)(4) shall establish an allocation fund for the purposes
24 specified in subsection (b)(4) and a special zone fund. Such a unit
25 shall, until the end of the enterprise zone phase out period, deposit each
26 year in the special zone fund any amount in the allocation fund derived
27 from property tax proceeds in excess of those described in subsection
28 (b)(1), (b)(2), and (b)(3) from property located in the enterprise zone
29 that exceeds the amount sufficient for the purposes specified in
30 subsection (b)(4) for the year. The amount sufficient for purposes
31 specified in subsection (b)(4) for the year shall be determined based on
32 the pro rata portion of such current property tax proceeds from the part
33 of the enterprise zone that is within the allocation area as compared to
34 all such current property tax proceeds derived from the allocation area.
35 A unit that has no obligations, bonds, or leases payable from allocated
36 tax proceeds under subsection (b)(4) shall establish a special zone fund
37 and deposit all the property tax proceeds in excess of those described
38 in subsection (b)(1), (b)(2), and (b)(3) in the fund derived from
39 property tax proceeds in excess of those described in subsection (b)(1),
40 (b)(2), and (b)(3) from property located in the enterprise zone. The unit
41 that creates the special zone fund shall use the fund (based on the
42 recommendations of the urban enterprise association) for programs in

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1 job training, job enrichment, and basic skill development that are
 2 designed to benefit residents and employers in the enterprise zone or
 3 other purposes specified in subsection (b)(4), except that where
 4 reference is made in subsection (b)(4) to allocation area it shall refer
 5 for purposes of payments from the special zone fund only to that part
 6 of the allocation area that is also located in the enterprise zone. Those
 7 programs shall reserve at least one-half (1/2) of their enrollment in any
 8 session for residents of the enterprise zone.

9 (h) The state board of accounts and department of local government
 10 finance shall make the rules and prescribe the forms and procedures
 11 that they consider expedient for the implementation of this chapter.
 12 After each reassessment in an area under a reassessment plan prepared
 13 under IC 6-1.1-4-4.2, the ~~department of local government finance~~
 14 **county auditor** shall, **on forms prescribed by the department of**
 15 **local government finance**, adjust the base assessed value one (1) time
 16 to neutralize any effect of the reassessment of the real property in the
 17 area on the property tax proceeds allocated to the redevelopment
 18 district under this section. After each annual adjustment under
 19 IC 6-1.1-4-4.5, the ~~department of local government finance~~ **county**
 20 **auditor** shall, **on forms prescribed by the department of local**
 21 **government finance**, adjust the base assessed value one (1) time to
 22 neutralize any effect of the annual adjustment on the property tax
 23 proceeds allocated to the redevelopment district under this section.
 24 However, the adjustments under this subsection:

25 (1) may not include the effect of phasing in assessed value due to
 26 property tax abatements under IC 6-1.1-12.1;

27 (2) may not produce less property tax proceeds allocable to the
 28 redevelopment district under subsection (b)(4) than would
 29 otherwise have been received if the reassessment under the
 30 reassessment plan or the annual adjustment had not occurred; and

31 (3) may decrease base assessed value only to the extent that
 32 assessed values in the allocation area have been decreased due to
 33 annual adjustments or the reassessment under the reassessment
 34 plan.

35 Assessed value increases attributable to the application of an abatement
 36 schedule under IC 6-1.1-12.1 may not be included in the base assessed
 37 value of an allocation area. ~~The department of local government~~
 38 ~~finance may prescribe procedures for county and township officials to~~
 39 ~~follow to assist the department in making the adjustments.~~ **The county**
 40 **auditor shall, in the manner prescribed by the department of local**
 41 **government finance, submit the forms required by this subsection**
 42 **to the department of local government finance no later than July**

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15 of each year.

(i) The allocation deadline referred to in subsection (b) is determined in the following manner:

(1) The initial allocation deadline is December 31, 2011.

(2) Subject to subdivision (3), the initial allocation deadline and subsequent allocation deadlines are automatically extended in increments of five (5) years, so that allocation deadlines subsequent to the initial allocation deadline fall on December 31, 2016, and December 31 of each fifth year thereafter.

(3) At least one (1) year before the date of an allocation deadline determined under subdivision (2), the general assembly may enact a law that:

(A) terminates the automatic extension of allocation deadlines under subdivision (2); and

(B) specifically designates a particular date as the final allocation deadline.

(j) If a redevelopment commission adopts a declaratory resolution or an amendment to a declaratory resolution that contains an allocation provision and the redevelopment commission makes either of the filings required under section 17(e) of this chapter after the first anniversary of the effective date of the allocation provision, the auditor of the county in which the unit is located shall compute the base assessed value for the allocation area using the assessment date immediately preceding the later of:

(1) the date on which the documents are filed with the county auditor; or

(2) the date on which the documents are filed with the department of local government finance.

(k) For an allocation area established after June 30, 2025, "residential property" refers to the assessed value of property that is allocated to the one percent (1%) homestead land and improvement categories in the county tax and billing software system.

SECTION 149. IC 36-7-14-48, AS AMENDED BY P.L.236-2023, SECTION 180, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 48. (a) Notwithstanding section 39(a) of this chapter, with respect to the allocation and distribution of property taxes for the accomplishment of a program adopted under section 45 of this chapter, "base assessed value" means, subject to section 39(j) of this chapter, the net assessed value of all of the property, other than personal property, as finally determined for the assessment date immediately preceding the effective date of the allocation provision, as adjusted under section 39(h) of this chapter.

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(b) The allocation fund established under section 39(b) of this chapter for the allocation area for a program adopted under section 45 of this chapter may be used only for purposes related to the accomplishment of the program, including the following:

(1) The construction, rehabilitation, or repair of residential units within the allocation area.

(2) The construction, reconstruction, or repair of any infrastructure (including streets, sidewalks, and sewers) within or serving the allocation area.

(3) The acquisition of real property and interests in real property within the allocation area.

(4) The demolition of real property within the allocation area.

(5) The provision of financial assistance to enable individuals and families to purchase or lease residential units within the allocation area. However, financial assistance may be provided only to those individuals and families whose income is at or below the county's median income for individuals and families, respectively.

(6) The provision of financial assistance to neighborhood development corporations to permit them to provide financial assistance for the purposes described in subdivision (5).

(7) For property taxes first due and payable before January 1, 2009, providing each taxpayer in the allocation area a credit for property tax replacement as determined under subsections (c) and (d). However, the commission may provide this credit only if the municipal legislative body (in the case of a redevelopment commission established by a municipality) or the county executive (in the case of a redevelopment commission established by a county) establishes the credit by ordinance adopted in the year before the year in which the credit is provided.

(c) The maximum credit that may be provided under subsection (b)(7) to a taxpayer in a taxing district that contains all or part of an allocation area established for a program adopted under section 45 of this chapter shall be determined as follows:

STEP ONE: Determine that part of the sum of the amounts described in IC 6-1.1-21-2(g)(1)(A) and IC 6-1.1-21-2(g)(2) through IC 6-1.1-21-2(g)(5) (before their repeal) that is attributable to the taxing district.

STEP TWO: Divide:

(A) 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(a)(1) (before its repeal) that is attributable to the taxing district; by

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- 1 (B) the amount determined under STEP ONE.
- 2 STEP THREE: Multiply:
- 3 (A) the STEP TWO quotient; by
- 4 (B) the taxpayer's taxes (as defined in IC 6-1.1-21-2) (before
- 5 its repeal) levied in the taxing district allocated to the
- 6 allocation fund, including the amount that would have been
- 7 allocated but for the credit.
- 8 (d) The commission may determine to grant to taxpayers in an
- 9 allocation area from its allocation fund a credit under this section, as
- 10 calculated under subsection (c). Except as provided in subsection (g),
- 11 one-half (1/2) of the credit shall be applied to each installment of taxes
- 12 (as defined in IC 6-1.1-21-2) (before its repeal) that under
- 13 IC 6-1.1-22-9 are due and payable in a year. The commission must
- 14 provide for the credit annually by a resolution and must find in the
- 15 resolution the following:
- 16 (1) That the money to be collected and deposited in the allocation
- 17 fund, based upon historical collection rates, after granting the
- 18 credit will equal the amounts payable for contractual obligations
- 19 from the fund, plus ten percent (10%) of those amounts.
- 20 (2) If bonds payable from the fund are outstanding, that there is
- 21 a debt service reserve for the bonds that at least equals the amount
- 22 of the credit to be granted.
- 23 (3) If bonds of a lessor under section 25.2 of this chapter or under
- 24 IC 36-1-10 are outstanding and if lease rentals are payable from
- 25 the fund, that there is a debt service reserve for those bonds that
- 26 at least equals the amount of the credit to be granted.
- 27 If the tax increment is insufficient to grant the credit in full, the
- 28 commission may grant the credit in part, prorated among all taxpayers.
- 29 (e) Notwithstanding section 39(b) of this chapter, the allocation
- 30 fund established under section 39(b) of this chapter for the allocation
- 31 area for a program adopted under section 45 of this chapter may only
- 32 be used to do one (1) or more of the following:
- 33 (1) Accomplish one (1) or more of the actions set forth in section
- 34 39(b)(4)(A) through 39(b)(4)(H) and 39(b)(4)(J) of this chapter
- 35 for property that is residential in nature.
- 36 (2) Reimburse the county or municipality for expenditures made
- 37 by the county or municipality in order to accomplish the housing
- 38 program in that allocation area.
- 39 The allocation fund may not be used for operating expenses of the
- 40 commission.
- 41 (f) Notwithstanding section 39(b) of this chapter, the commission
- 42 shall, relative to the allocation fund established under section 39(b) of

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1 this chapter for an allocation area for a program adopted under section
2 45 of this chapter, do the following before June 15 of each year:

3 (1) Determine the amount, if any, by which the assessed value of
4 the taxable property in the allocation area for the most recent
5 assessment date minus the base assessed value, when multiplied
6 by the estimated tax rate of the allocation area, will exceed the
7 amount of assessed value needed to produce the property taxes
8 necessary to:

9 (A) make the distribution required under section 39(b)(2) and
10 39(b)(3) of this chapter;

11 (B) make, when due, principal and interest payments on bonds
12 described in section 39(b)(4) of this chapter;

13 (C) pay the amount necessary for other purposes described in
14 section 39(b)(4) of this chapter; and

15 (D) reimburse the county or municipality for anticipated
16 expenditures described in subsection (e)(2).

17 (2) Provide a written notice to the county auditor, the fiscal body
18 of the county or municipality that established the department of
19 redevelopment, and the officers who are authorized to fix budgets,
20 tax rates, and tax levies under IC 6-1.1-17-5 for each of the other
21 taxing units that is wholly or partly located within the allocation
22 area. The county auditor, upon receiving the notice, shall forward
23 this notice (in an electronic format) to the department of local
24 government finance not later than June 15 of each year. The
25 notice must:

26 (A) state the amount, if any, of excess property taxes that the
27 commission has determined may be paid to the respective
28 taxing units in the manner prescribed in section 39(b)(1) of
29 this chapter; or

30 (B) 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 the
34 amount, if any, of excess assessed value determined by the
35 commission. **If a commission fails to provide the notice under
36 this subdivision, the county auditor shall allocate five percent
37 (5%) of the assessed value in the allocation area that is used
38 to calculate the allocation and distribution of allocated tax
39 proceeds under this section to the respective taxing units.
40 However, if the commission notifies the county auditor and
41 the department of local government finance, no later than
42 July 1, 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.

(3) If:

(A) 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 (1); plus

(B) the amount necessary for other purposes described in subdivision (1);

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 (2). 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 (2).

(g) This subsection applies to an allocation area only to the extent that the net assessed value of property that is assessed as residential property under the rules of the department of local government finance is not included in the base assessed value. If property tax installments with respect to a homestead (as defined in IC 6-1.1-12-37) are due in installments established by the department of local government finance under IC 6-1.1-22-9.5, each taxpayer subject to those installments in an allocation area is entitled to an additional credit under subsection (d) for the taxes (as defined in IC 6-1.1-21-2) (before its repeal) due in installments. The credit shall be applied in the same proportion to each installment of taxes (as defined in IC 6-1.1-21-2) (before its repeal).

SECTION 150. IC 36-7-14-52, AS AMENDED BY P.L.236-2023, SECTION 181, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 52. (a) Notwithstanding section 39(a) of this chapter, with respect to the allocation and distribution of property taxes for the accomplishment of the purposes of an age-restricted housing program adopted under section 49 of this chapter, "base assessed value" means, subject to section 39(j) of this chapter, the net assessed value of all of the property, other than personal property, as finally determined for the assessment date

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1 immediately preceding the effective date of the allocation provision, as
 2 adjusted under section 39(h) of this chapter.

3 (b) The allocation fund established under section 39(b) of this
 4 chapter for the allocation area for an age-restricted housing program
 5 adopted under section 49 of this chapter may be used only for purposes
 6 related to the accomplishment of the purposes of the program,
 7 including, but not limited to, the following:

8 (1) The construction of any infrastructure (including streets,
 9 sidewalks, and sewers) or local public improvements in, serving,
 10 or benefiting the allocation area.

11 (2) The acquisition of real property and interests in real property
 12 within the allocation area.

13 (3) The preparation of real property in anticipation of
 14 development of the real property within the allocation area.

15 (4) To do any of the following:

16 (A) Pay the principal of and interest on bonds or any other
 17 obligations payable from allocated tax proceeds in the
 18 allocation area that are incurred by the redevelopment district
 19 for the purpose of financing or refinancing the age-restricted
 20 housing program established under section 49 of this chapter
 21 for the allocation area.

22 (B) Establish, augment, or restore the debt service reserve for
 23 bonds payable solely or in part from allocated tax proceeds in
 24 the allocation area.

25 (C) Pay the principal of and interest on bonds payable from
 26 allocated tax proceeds in the allocation area and from the
 27 special tax levied under section 27 of this chapter.

28 (D) Pay the principal of and interest on bonds issued by the
 29 unit to pay for local public improvements that are physically
 30 located in or physically connected to the allocation area.

31 (E) Pay premiums on the redemption before maturity of bonds
 32 payable solely or in part from allocated tax proceeds in the
 33 allocation area.

34 (F) Make payments on leases payable from allocated tax
 35 proceeds in the allocation area under section 25.2 of this
 36 chapter.

37 (G) Reimburse the unit for expenditures made by the unit for
 38 local public improvements (which include buildings, parking
 39 facilities, and other items described in section 25.1(a) of this
 40 chapter) that are physically located in or physically connected
 41 to the allocation area.

42 (c) Notwithstanding section 39(b) of this chapter, the commission

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shall, relative to the allocation fund established under section 39(b) of this chapter for an allocation area for an age-restricted housing program adopted under section 49 of this chapter, do the following before June 15 of each year:

(1) 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 produce the property taxes necessary to:

(A) make the distribution required under section 39(b)(2) and 39(b)(3) of this chapter;

(B) make, when due, principal and interest payments on bonds described in section 39(b)(4) of this chapter;

(C) pay the amount necessary for other purposes described in section 39(b)(4) of this chapter; and

(D) reimburse the county or municipality for anticipated expenditures described in subsection (b)(2).

(2) 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:

(A) state the amount, if any, of excess property taxes that the commission has determined may be paid to the respective taxing units in the manner prescribed in section 39(b)(1) of this chapter; or

(B) 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. **If a commission fails to provide the notice under subdivision (2), 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 1, 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 151. IC 36-7-14.2-1, AS ADDED BY P.L.80-2014,
 10 SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 11 UPON PASSAGE]: Sec. 1. As used in this chapter, "property taxes"
 12 means:

13 (1) property taxes, as described in:

14 (A) ~~IC 6-1.1-39-5(g);~~ IC 6-1.1-39-5(h);

15 (B) IC 36-7-14-39(a);

16 (C) IC 36-7-14-39.2;

17 (D) IC 36-7-14-39.3(c);

18 (E) IC 36-7-14.5-12.5;

19 (F) IC 36-7-15.1-26(a);

20 (G) IC 36-7-15.1-26.2(c);

21 (H) IC 36-7-15.1-53(a);

22 (I) IC 36-7-15.1-55(c);

23 (J) IC 36-7-30-25(a)(3);

24 (K) IC 36-7-30-26(c);

25 (L) IC 36-7-30.5-30; or

26 (M) IC 36-7-30.5-31; and

27 (2) for allocation areas created under IC 8-22-3.5, the taxes
 28 assessed on taxable tangible property in the allocation area.

29 SECTION 152. IC 36-7-15.1-26, AS AMENDED BY P.L.174-2022,
 30 SECTION 72, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 31 UPON PASSAGE]: Sec. 26. (a) As used in this section:

32 "Allocation area" means that part of a redevelopment project area
 33 to which an allocation provision of a resolution adopted under section
 34 8 of this chapter refers for purposes of distribution and allocation of
 35 property taxes.

36 "Base assessed value" means, subject to subsection (j), the
 37 following:

38 (1) If an allocation provision is adopted after June 30, 1995, in a
 39 declaratory resolution or an amendment to a declaratory
 40 resolution establishing an economic development 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, within the allocation area, as finally determined for
 7 the current assessment date.
- 8 (2) If an allocation provision is adopted after June 30, 1997, in a
 9 declaratory resolution or an amendment to a declaratory
 10 resolution establishing a redevelopment project area:
 11 (A) the net assessed value of all the property as finally
 12 determined for the assessment date immediately preceding the
 13 effective date of the allocation provision of the declaratory
 14 resolution, as adjusted under subsection (h); plus
 15 (B) to the extent that it is not included in clause (A), the net
 16 assessed value of property that is assessed as residential
 17 property under the rules of the department of local government
 18 finance, within the allocation area, as finally determined for
 19 the current assessment date.
- 20 (3) If:
 21 (A) an allocation provision adopted before June 30, 1995, in
 22 a declaratory resolution or an amendment to a declaratory
 23 resolution establishing a redevelopment project area expires
 24 after June 30, 1997; and
 25 (B) after June 30, 1997, a new allocation provision is included
 26 in an amendment to the declaratory resolution;
 27 the net assessed value of all the property as finally determined for
 28 the assessment date immediately preceding the effective date of
 29 the allocation provision adopted after June 30, 1997, as adjusted
 30 under subsection (h).
- 31 (4) Except as provided in subdivision (5), for all other allocation
 32 areas, 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).
- 36 (5) If an allocation area established in an economic development
 37 area before July 1, 1995, is expanded after June 30, 1995, the
 38 definition in subdivision (1) applies to the expanded part of the
 39 area added after June 30, 1995.
- 40 (6) If an allocation area established in a redevelopment project
 41 area before July 1, 1997, is expanded after June 30, 1997, the
 42 definition in subdivision (2) applies to the expanded part of the

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1 area added after June 30, 1997.

2 Except as provided in section 26.2 of this chapter, "property taxes"
 3 means taxes imposed under IC 6-1.1 on real property. However, upon
 4 approval by a resolution of the redevelopment commission adopted
 5 before June 1, 1987, "property taxes" also includes taxes imposed
 6 under IC 6-1.1 on depreciable personal property. If a redevelopment
 7 commission adopted before June 1, 1987, a resolution to include within
 8 the definition of property taxes, taxes imposed under IC 6-1.1 on
 9 depreciable personal property that has a useful life in excess of eight
 10 (8) years, the commission may by resolution determine the percentage
 11 of taxes imposed under IC 6-1.1 on all depreciable personal property
 12 that will be included within the definition of property taxes. However,
 13 the percentage included must not exceed twenty-five percent (25%) of
 14 the taxes imposed under IC 6-1.1 on all depreciable personal property.

15 (b) A resolution adopted under section 8 of this chapter on or before
 16 the allocation deadline determined under subsection (i) may include a
 17 provision with respect to the allocation and distribution of property
 18 taxes for the purposes and in the manner provided in this section. A
 19 resolution previously adopted may include an allocation provision by
 20 the amendment of that resolution on or before the allocation deadline
 21 determined under subsection (i) in accordance with the procedures
 22 required for its original adoption. A declaratory resolution or
 23 amendment that establishes an allocation provision must include a
 24 specific finding of fact, supported by evidence, that the adoption of the
 25 allocation provision will result in new property taxes in the area that
 26 would not have been generated but for the adoption of the allocation
 27 provision. For an allocation area established before July 1, 1995, the
 28 expiration date of any allocation provisions for the allocation area is
 29 June 30, 2025, or the last date of any obligations that are outstanding
 30 on July 1, 2015, whichever is later. However, for an allocation area
 31 identified as the Consolidated Allocation Area in the report submitted
 32 in 2013 to the fiscal body under section 36.3 of this chapter, the
 33 expiration date of any allocation provisions for the allocation area is
 34 January 1, 2051. A declaratory resolution or an amendment that
 35 establishes an allocation provision after June 30, 1995, must specify an
 36 expiration date for the allocation provision. For an allocation area
 37 established before July 1, 2008, the expiration date may not be more
 38 than thirty (30) years after the date on which the allocation provision
 39 is established. For an allocation area established after June 30, 2008,
 40 the expiration date may not be more than twenty-five (25) years after
 41 the date on which the first obligation was incurred to pay principal and
 42 interest on bonds or lease rentals on leases payable from tax increment

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revenues. However, with respect to bonds or other obligations that were issued before July 1, 2008, if any of the bonds or other obligations that were scheduled when issued to mature before the specified expiration date and that are payable only from allocated tax proceeds with respect to the allocation area remain outstanding as of the expiration date, the allocation provision does not expire until all of the bonds or other obligations are no longer outstanding. The allocation provision may apply to all or part of the redevelopment project area. The allocation provision must require that any property taxes subsequently levied by or for the benefit of any public body entitled to a distribution of property taxes on taxable property in the allocation area be allocated and distributed as follows:

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

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

or

(B) the base assessed value;

shall be allocated to and, when collected, paid into the funds of the respective taxing units.

(2) The excess of the proceeds of the property taxes imposed for the assessment date with respect to which the allocation and distribution is made that are attributable to taxes imposed after being approved by the voters in a referendum or local public question conducted after April 30, 2010, not otherwise included in subdivision (1) shall be allocated to and, when collected, paid into the funds of the taxing unit for which the referendum or local 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 redevelopment district and, when collected, paid into a special fund for that allocation area that may be used by the redevelopment district only to do one (1) or more of the following:

(A) Pay the principal of and interest on any obligations payable solely from allocated tax proceeds that are incurred by the redevelopment district for the purpose of financing or refinancing the redevelopment of 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.

(C) Pay the principal of and interest on bonds payable from

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1 allocated tax proceeds in that allocation area and from the
2 special tax levied under section 19 of this chapter.

3 (D) Pay the principal of and interest on bonds issued by the
4 consolidated city to pay for local public improvements that are
5 physically located in or physically connected to that allocation
6 area.

7 (E) Pay premiums on the redemption before maturity of bonds
8 payable solely or in part from allocated tax proceeds in that
9 allocation area.

10 (F) Make payments on leases payable from allocated tax
11 proceeds in that allocation area under section 17.1 of this
12 chapter.

13 (G) Reimburse the consolidated city for expenditures for local
14 public improvements (which include buildings, parking
15 facilities, and other items set forth in section 17 of this
16 chapter) that are physically located in or physically connected
17 to that allocation area.

18 (H) Reimburse the unit for rentals paid by it for a building or
19 parking facility that is physically located in or physically
20 connected to that allocation area under any lease entered into
21 under IC 36-1-10.

22 (I) Reimburse public and private entities for expenses incurred
23 in training employees of industrial facilities that are located:

24 (i) in the allocation area; and

25 (ii) on a parcel of real property that has been classified as
26 industrial property under the rules of the department of local
27 government finance.

28 However, the total amount of money spent for this purpose in
29 any year may not exceed the total amount of money in the
30 allocation fund that is attributable to property taxes paid by the
31 industrial facilities described in this clause. The
32 reimbursements under this clause must be made within three
33 (3) years after the date on which the investments that are the
34 basis for the increment financing are made.

35 (J) Pay the costs of carrying out an eligible efficiency project
36 (as defined in IC 36-9-41-1.5) within the unit that established
37 the redevelopment commission. However, property tax
38 proceeds may be used under this clause to pay the costs of
39 carrying out an eligible efficiency project only if those
40 property tax proceeds exceed the amount necessary to do the
41 following:

42 (i) Make, when due, any payments required under clauses

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(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 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

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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 1, 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

(ii) the amount necessary for other purposes described in subdivision (3) and subsection (g);

the commission shall submit to the legislative body of the unit the commission's 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).

(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 date of the allocation provision of the resolution is the lesser of:

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

(2) the base assessed value.

(d) Property tax proceeds allocable to the redevelopment district

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1 under subsection (b)(3) may, subject to subsection (b)(4), be
 2 irrevocably pledged by the redevelopment district for payment as set
 3 forth in subsection (b)(3).

4 (e) Notwithstanding any other law, each assessor shall, upon
 5 petition of the commission, reassess the taxable property situated upon
 6 or in, or added to, the allocation area, effective on the next assessment
 7 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 formulation 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 the 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. A unit that has no obligations, bonds, or leases
 28 payable from allocated tax proceeds under subsection (b)(3) shall
 29 establish a special zone fund and deposit all the property tax proceeds
 30 in excess of those described in subsection (b)(1) and (b)(2) in the fund
 31 derived from property tax proceeds in excess of those described in
 32 subsection (b)(1) and (b)(2) from property located in the enterprise
 33 zone. The unit that creates the special zone fund shall use the fund,
 34 based on the recommendations of the urban enterprise association, for
 35 one (1) or more of the following purposes:

36 (1) To pay for programs in job training, job enrichment, and basic
 37 skill development designed to benefit residents and employers in
 38 the enterprise zone. The programs must reserve at least one-half
 39 (1/2) of the enrollment in any session for residents of the
 40 enterprise zone.

41 (2) To make loans and grants for the purpose of stimulating
 42 business activity in the enterprise zone or providing employment

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for enterprise zone residents in the enterprise zone. These loans and grants may be made to the following:

(A) Businesses operating in the enterprise zone.

(B) Businesses that will move their operations to the enterprise zone if such a loan or grant is made.

(3) To provide funds to carry out other purposes specified in subsection (b)(3). However, where reference is made in subsection (b)(3) to the allocation area, the reference refers for purposes of payments from the special zone fund only to that part of the allocation area that is also located in the enterprise zone.

(h) The state board of accounts and department of local government finance shall make the rules and prescribe the forms and procedures that they consider expedient for the implementation of this chapter. After each reassessment under a reassessment plan prepared under IC 6-1.1-4-4.2, the ~~department of local government finance~~ **county auditor** shall, **on forms prescribed by the department of local government finance**, adjust the base assessed value one (1) time to neutralize any effect of the reassessment of the real property in the area on the property tax proceeds allocated to the redevelopment district under this section. After each annual adjustment under IC 6-1.1-4-4.5, the ~~department of local government finance~~ **county auditor** shall, **on forms prescribed by the department of local government finance**, adjust the base assessed value to neutralize any effect of the annual adjustment on the property tax proceeds allocated to the redevelopment district under this section. However, the adjustments under this subsection may not include the effect of property tax abatements under IC 6-1.1-12.1, and these adjustments may not produce less property tax proceeds allocable to the redevelopment district under subsection (b)(3) than would otherwise have been received if the reassessment under the reassessment plan or annual adjustment had not occurred. ~~The department of local government finance may prescribe procedures for county and township officials to follow to assist the department in making the adjustments.~~ **The county auditor shall, in the manner prescribed by the department of local government finance, submit the forms required by this subsection to the department of local government finance no later than July 15 of each year.**

(i) The allocation deadline referred to in subsection (b) is determined in the following manner:

(1) The initial allocation deadline is December 31, 2011.

(2) Subject to subdivision (3), the initial allocation deadline and subsequent allocation deadlines are automatically extended in increments of five (5) years, so that allocation deadlines

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subsequent to the initial allocation deadline fall on December 31, 2016, and December 31 of each fifth year thereafter.

(3) At least one (1) year before the date of an allocation deadline determined under subdivision (2), the general assembly may enact a law that:

(A) terminates the automatic extension of allocation deadlines under subdivision (2); and

(B) specifically designates a particular date as the final allocation deadline.

(j) If the commission adopts a declaratory resolution or an amendment to a declaratory resolution that contains an allocation provision and the commission makes either of the filings required under section 10(e) of this chapter after the first anniversary of the effective date of the allocation provision, the auditor of the county in which the unit is located shall compute the base assessed value for the allocation area using the assessment date immediately preceding the later of:

(1) the date on which the documents are filed with the county auditor; or

(2) the date on which the documents are filed with the department of local government finance.

(k) For an allocation area established after June 30, 2024, "residential property" refers to the assessed value of property that is allocated to the one percent (1%) homestead land and improvement categories in the county tax and billing software system, along with the residential assessed value as defined for purposes of calculating the rate for the local income tax property tax relief credit designated for residential property under IC 6-3.6-5-6(d)(3).

SECTION 153. IC 36-7-15.1-26, AS AMENDED BY P.L.68-2025, SECTION 235, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2028]: Sec. 26. (a) As used in this section:

"Allocation area" means that part of a redevelopment project area to which an allocation provision of a resolution adopted under section 8 of this chapter refers for purposes of distribution and allocation of property taxes.

"Base assessed value" means, subject to subsection (j), the following:

(1) If an allocation provision is adopted after June 30, 1995, in a declaratory resolution or an amendment to a declaratory resolution establishing an economic development area:

(A) the net assessed value of all the property as finally 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, within the allocation area, as finally determined for
 7 the current assessment date.
- 8 (2) If an allocation provision is adopted after June 30, 1997, in a
 9 declaratory resolution or an amendment to a declaratory
 10 resolution establishing a redevelopment project area:
 11 (A) the net assessed value of all the property as finally
 12 determined for the assessment date immediately preceding the
 13 effective date of the allocation provision of the declaratory
 14 resolution, as adjusted under subsection (h); plus
 15 (B) to the extent that it is not included in clause (A), the net
 16 assessed value of property that is assessed as residential
 17 property under the rules of the department of local government
 18 finance, within the allocation area, as finally determined for
 19 the current assessment date.
- 20 (3) If:
 21 (A) an allocation provision adopted before June 30, 1995, in
 22 a declaratory resolution or an amendment to a declaratory
 23 resolution establishing a redevelopment project area expires
 24 after June 30, 1997; and
 25 (B) after June 30, 1997, a new allocation provision is included
 26 in an amendment to the declaratory resolution;
 27 the net assessed value of all the property as finally determined for
 28 the assessment date immediately preceding the effective date of
 29 the allocation provision adopted after June 30, 1997, as adjusted
 30 under subsection (h).
- 31 (4) Except as provided in subdivision (5), for all other allocation
 32 areas, 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).
- 36 (5) If an allocation area established in an economic development
 37 area before July 1, 1995, is expanded after June 30, 1995, the
 38 definition in subdivision (1) applies to the expanded part of the
 39 area added after June 30, 1995.
- 40 (6) If an allocation area established in a redevelopment project
 41 area before July 1, 1997, is expanded after June 30, 1997, the
 42 definition in subdivision (2) applies to the expanded part of the

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1 area added after June 30, 1997.

2 Except as provided in section 26.2 of this chapter, "property taxes"
 3 means taxes imposed under IC 6-1.1 on real property. However, upon
 4 approval by a resolution of the redevelopment commission adopted
 5 before June 1, 1987, "property taxes" also includes taxes imposed
 6 under IC 6-1.1 on depreciable personal property. If a redevelopment
 7 commission adopted before June 1, 1987, a resolution to include within
 8 the definition of property taxes, taxes imposed under IC 6-1.1 on
 9 depreciable personal property that has a useful life in excess of eight
 10 (8) years, the commission may by resolution determine the percentage
 11 of taxes imposed under IC 6-1.1 on all depreciable personal property
 12 that will be included within the definition of property taxes. However,
 13 the percentage included must not exceed twenty-five percent (25%) of
 14 the taxes imposed under IC 6-1.1 on all depreciable personal property.

15 (b) A resolution adopted under section 8 of this chapter on or before
 16 the allocation deadline determined under subsection (i) may include a
 17 provision with respect to the allocation and distribution of property
 18 taxes for the purposes and in the manner provided in this section. A
 19 resolution previously adopted may include an allocation provision by
 20 the amendment of that resolution on or before the allocation deadline
 21 determined under subsection (i) in accordance with the procedures
 22 required for its original adoption. A declaratory resolution or
 23 amendment that establishes an allocation provision must include a
 24 specific finding of fact, supported by evidence, that the adoption of the
 25 allocation provision will result in new property taxes in the area that
 26 would not have been generated but for the adoption of the allocation
 27 provision. For an allocation area established before July 1, 1995, the
 28 expiration date of any allocation provisions for the allocation area is
 29 June 30, 2025, or the last date of any obligations that are outstanding
 30 on July 1, 2015, whichever is later. However, for an allocation area
 31 identified as the Consolidated Allocation Area in the report submitted
 32 in 2013 to the fiscal body under section 36.3 of this chapter, the
 33 expiration date of any allocation provisions for the allocation area is
 34 January 1, 2051. A declaratory resolution or an amendment that
 35 establishes an allocation provision after June 30, 1995, must specify an
 36 expiration date for the allocation provision. For an allocation area
 37 established before July 1, 2008, the expiration date may not be more
 38 than thirty (30) years after the date on which the allocation provision
 39 is established. For an allocation area established after June 30, 2008,
 40 the expiration date may not be more than twenty-five (25) years after
 41 the date on which the first obligation was incurred to pay principal and
 42 interest on bonds or lease rentals on leases payable from tax increment

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revenues. However, with respect to bonds or other obligations that were issued before July 1, 2008, if any of the bonds or other obligations that were scheduled when issued to mature before the specified expiration date and that are payable only from allocated tax proceeds with respect to the allocation area remain outstanding as of the expiration date, the allocation provision does not expire until all of the bonds or other obligations are no longer outstanding. The allocation provision may apply to all or part of the redevelopment project area. The allocation provision must require that any property taxes subsequently levied by or for the benefit of any public body entitled to a distribution of property taxes on taxable property in the allocation area be allocated and distributed as follows:

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

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

or

(B) the base assessed value;

shall be allocated to and, when collected, paid into the funds of the respective taxing units.

(2) The excess of the proceeds of the property taxes imposed for the assessment date with respect to which the allocation and distribution is made that are attributable to taxes imposed after being approved by the voters in a referendum or local public question conducted after April 30, 2010, not otherwise included in subdivision (1) shall be allocated to and, when collected, paid into the funds of the taxing unit for which the referendum or local 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 redevelopment district and, when collected, paid into a special fund for that allocation area that may be used by the redevelopment district only to do one (1) or more of the following:

(A) Pay the principal of and interest on any obligations payable solely from allocated tax proceeds that are incurred by the redevelopment district for the purpose of financing or refinancing the redevelopment of 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.

(C) Pay the principal of and interest on bonds payable from

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1 allocated tax proceeds in that allocation area and from the
2 special tax levied under section 19 of this chapter.

3 (D) Pay the principal of and interest on bonds issued by the
4 consolidated city to pay for local public improvements that are
5 physically located in or physically connected to that allocation
6 area.

7 (E) Pay premiums on the redemption before maturity of bonds
8 payable solely or in part from allocated tax proceeds in that
9 allocation area.

10 (F) Make payments on leases payable from allocated tax
11 proceeds in that allocation area under section 17.1 of this
12 chapter.

13 (G) Reimburse the consolidated city for expenditures for local
14 public improvements (which include buildings, parking
15 facilities, and other items set forth in section 17 of this
16 chapter) that are physically located in or physically connected
17 to that allocation area.

18 (H) Reimburse the unit for rentals paid by it for a building or
19 parking facility that is physically located in or physically
20 connected to that allocation area under any lease entered into
21 under IC 36-1-10.

22 (I) Reimburse public and private entities for expenses incurred
23 in training employees of industrial facilities that are located:

24 (i) in the allocation area; and

25 (ii) on a parcel of real property that has been classified as
26 industrial property under the rules of the department of local
27 government finance.

28 However, the total amount of money spent for this purpose in
29 any year may not exceed the total amount of money in the
30 allocation fund that is attributable to property taxes paid by the
31 industrial facilities described in this clause. The
32 reimbursements under this clause must be made within three
33 (3) years after the date on which the investments that are the
34 basis for the increment financing are made.

35 (J) Pay the costs of carrying out an eligible efficiency project
36 (as defined in IC 36-9-41-1.5) within the unit that established
37 the redevelopment commission. However, property tax
38 proceeds may be used under this clause to pay the costs of
39 carrying out an eligible efficiency project only if those
40 property tax proceeds exceed the amount necessary to do the
41 following:

42 (i) Make, when due, any payments required under clauses

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(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 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

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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 1, 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

(ii) the amount necessary for other purposes described in subdivision (3) and subsection (g);

the commission shall submit to the legislative body of the unit the commission's 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).

(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 date of the allocation provision of the resolution is the lesser of:

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

(2) the base assessed value.

(d) Property tax proceeds allocable to the redevelopment district

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1 under subsection (b)(3) may, subject to subsection (b)(4), be
 2 irrevocably pledged by the redevelopment district for payment as set
 3 forth in subsection (b)(3).

4 (e) Notwithstanding any other law, each assessor shall, upon
 5 petition of the commission, reassess the taxable property situated upon
 6 or in, or added to, the allocation area, effective on the next assessment
 7 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 formulation 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 the 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. A unit that has no obligations, bonds, or leases
 28 payable from allocated tax proceeds under subsection (b)(3) shall
 29 establish a special zone fund and deposit all the property tax proceeds
 30 in excess of those described in subsection (b)(1) and (b)(2) in the fund
 31 derived from property tax proceeds in excess of those described in
 32 subsection (b)(1) and (b)(2) from property located in the enterprise
 33 zone. The unit that creates the special zone fund shall use the fund,
 34 based on the recommendations of the urban enterprise association, for
 35 one (1) or more of the following purposes:

36 (1) To pay for programs in job training, job enrichment, and basic
 37 skill development designed to benefit residents and employers in
 38 the enterprise zone. The programs must reserve at least one-half
 39 (1/2) of the enrollment in any session for residents of the
 40 enterprise zone.

41 (2) To make loans and grants for the purpose of stimulating
 42 business activity in the enterprise zone or providing employment

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for enterprise zone residents in the enterprise zone. These loans and grants may be made to the following:

(A) Businesses operating in the enterprise zone.

(B) Businesses that will move their operations to the enterprise zone if such a loan or grant is made.

(3) To provide funds to carry out other purposes specified in subsection (b)(3). However, where reference is made in subsection (b)(3) to the allocation area, the reference refers for purposes of payments from the special zone fund only to that part of the allocation area that is also located in the enterprise zone.

(h) The state board of accounts and department of local government finance shall make the rules and prescribe the forms and procedures that they consider expedient for the implementation of this chapter. After each reassessment under a reassessment plan prepared under IC 6-1.1-4-4.2, the ~~department of local government finance~~ **county auditor** shall, **on forms prescribed by the department of local government finance**, adjust the base assessed value one (1) time to neutralize any effect of the reassessment of the real property in the area on the property tax proceeds allocated to the redevelopment district under this section. After each annual adjustment under IC 6-1.1-4-4.5, the ~~department of local government finance~~ **county auditor** shall, **on forms prescribed by the department of local government finance**, adjust the base assessed value to neutralize any effect of the annual adjustment on the property tax proceeds allocated to the redevelopment district under this section. However, the adjustments under this subsection may not include the effect of property tax abatements under IC 6-1.1-12.1, and these adjustments may not produce less property tax proceeds allocable to the redevelopment district under subsection (b)(3) than would otherwise have been received if the reassessment under the reassessment plan or annual adjustment had not occurred. ~~The department of local government finance may prescribe procedures for county and township officials to follow to assist the department in making the adjustments.~~ **The county auditor shall, in the manner prescribed by the department of local government finance, submit the forms required by this subsection to the department of local government finance no later than July 15 of each year.**

(i) The allocation deadline referred to in subsection (b) is determined in the following manner:

(1) The initial allocation deadline is December 31, 2011.

(2) Subject to subdivision (3), the initial allocation deadline and subsequent allocation deadlines are automatically extended in increments of five (5) years, so that allocation deadlines

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subsequent to the initial allocation deadline fall on December 31, 2016, and December 31 of each fifth year thereafter.

(3) At least one (1) year before the date of an allocation deadline determined under subdivision (2), the general assembly may enact a law that:

(A) terminates the automatic extension of allocation deadlines under subdivision (2); and

(B) specifically designates a particular date as the final allocation deadline.

(j) If the commission adopts a declaratory resolution or an amendment to a declaratory resolution that contains an allocation provision and the commission makes either of the filings required under section 10(e) of this chapter after the first anniversary of the effective date of the allocation provision, the auditor of the county in which the unit is located shall compute the base assessed value for the allocation area using the assessment date immediately preceding the later of:

(1) the date on which the documents are filed with the county auditor; or

(2) the date on which the documents are filed with the department of local government finance.

(k) For an allocation area established after June 30, 2024, "residential property" refers to the assessed value of property that is allocated to the one percent (1%) homestead land and improvement categories in the county tax and billing software system, along with the residential assessed value as defined for purposes of calculating the rate for the local income tax property tax relief credit designated for residential property under IC 6-3.6-5-6(d)(3) (before its expiration).

SECTION 154. IC 36-7-15.1-35, AS AMENDED BY P.L.257-2019, SECTION 128, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 35. (a) Notwithstanding section 26(a) of this chapter, with respect to the allocation and distribution of property taxes for the accomplishment of a program adopted under section 32 of this chapter, "base assessed value" means, subject to section 26(j) of this chapter, the net assessed value of all of the land as finally determined for the assessment date immediately preceding the effective date of the allocation provision, as adjusted under section 26(h) of this chapter. However, "base assessed value" does not include the value of real property improvements to the land.

(b) The special fund established under section 26(b) of this chapter for the allocation area for a program adopted under section 32 of this chapter may be used only for purposes related to the accomplishment

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of the program, including the following:

(1) The construction, rehabilitation, or repair of residential units within the allocation area.

(2) The construction, reconstruction, or repair of infrastructure (such as streets, sidewalks, and sewers) within or serving the allocation area.

(3) The acquisition of real property and interests in real property within the allocation area.

(4) The demolition of real property within the allocation area.

(5) To provide financial assistance to enable individuals and families to purchase or lease residential units within the allocation area. However, financial assistance may be provided only to those individuals and families whose income is at or below the county's median income for individuals and families, respectively.

(6) To provide financial assistance to neighborhood development corporations to permit them to provide financial assistance for the purposes described in subdivision (5).

(7) For property taxes first due and payable before 2009, to provide each taxpayer in the allocation area a credit for property tax replacement as determined under subsections (c) and (d). However, this credit may be provided by the commission only if the city-county legislative body establishes the credit by ordinance adopted in the year before the year in which the credit is provided.

(c) The maximum credit that may be provided under subsection (b)(7) to a taxpayer in a taxing district that contains all or part of an allocation area established for a program adopted under section 32 of this chapter shall be determined as follows:

STEP ONE: Determine that part of the sum of the amounts described in IC 6-1.1-21-2(g)(1)(A) and IC 6-1.1-21-2(g)(2) through IC 6-1.1-21-2(g)(5) (before their repeal) that is attributable to the taxing district.

STEP TWO: Divide:

(A) 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(a)(1) (before its repeal) that is attributable to the taxing district; by

(B) the amount determined under STEP ONE.

STEP THREE: Multiply:

(A) the STEP TWO quotient; by

(B) the taxpayer's taxes (as defined in IC 6-1.1-21-2 (before its repeal)) levied in the taxing district allocated to the allocation

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1 fund, including the amount that would have been allocated but
2 for the credit.

3 (d) Except as provided in subsection (g), the commission may
4 determine to grant to taxpayers in an allocation area from its allocation
5 fund a credit under this section, as calculated under subsection (c), by
6 applying one-half (1/2) of the credit to each installment of taxes (as
7 defined in IC 6-1.1-21-2 (before its repeal)) that under IC 6-1.1-22-9
8 are due and payable in a year. Except as provided in subsection (g),
9 one-half (1/2) of the credit shall be applied to each installment of taxes
10 (as defined in IC 6-1.1-21-2 (before its repeal)). The commission must
11 provide for the credit annually by a resolution and must find in the
12 resolution the following:

13 (1) That the money to be collected and deposited in the allocation
14 fund, based upon historical collection rates, after granting the
15 credit will equal the amounts payable for contractual obligations
16 from the fund, plus ten percent (10%) of those amounts.

17 (2) If bonds payable from the fund are outstanding, that there is
18 a debt service reserve for the bonds that at least equals the amount
19 of the credit to be granted.

20 (3) If bonds of a lessor under section 17.1 of this chapter or under
21 IC 36-1-10 are outstanding and if lease rentals are payable from
22 the fund, that there is a debt service reserve for those bonds that
23 at least equals the amount of the credit to be granted.

24 If the tax increment is insufficient to grant the credit in full, the
25 commission may grant the credit in part, prorated among all taxpayers.

26 (e) Notwithstanding section 26(b) of this chapter, the special fund
27 established under section 26(b) of this chapter for the allocation area
28 for a program adopted under section 32 of this chapter may only be
29 used to do one (1) or more of the following:

30 (1) Accomplish one (1) or more of the actions set forth in section
31 26(b)(3)(A) through 26(b)(3)(H) of this chapter.

32 (2) Reimburse the consolidated city for expenditures made by the
33 city in order to accomplish the housing program in that allocation
34 area.

35 The special fund may not be used for operating expenses of the
36 commission.

37 (f) Notwithstanding section 26(b) of this chapter, the commission
38 shall, relative to the special fund established under section 26(b) of this
39 chapter for an allocation area for a program adopted under section 32
40 of this chapter, do the following before June 15 of each year:

41 (1) Determine the amount, if any, by which the assessed value of
42 the taxable property in the allocation area, when multiplied by the

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1 estimated tax rate of the allocation area, will exceed the amount
 2 of assessed value needed to produce the property taxes necessary
 3 to:

4 (A) make the distribution required under section 26(b)(2) of
 5 this chapter;

6 (B) make, when due, principal and interest payments on bonds
 7 described in section 26(b)(3) of this chapter;

8 (C) pay the amount necessary for other purposes described in
 9 section 26(b)(3) of this chapter; and

10 (D) reimburse the consolidated city for anticipated
 11 expenditures described in subsection (e)(2).

12 (2) Provide a written notice to the county auditor, the legislative
 13 body of the consolidated city, the officers who are authorized to
 14 fix budgets, tax rates, and tax levies under IC 6-1.1-17-5 for each
 15 of the other taxing units that is wholly or partly located within the
 16 allocation area, and (in an electronic format) the department of
 17 local government finance. The notice must:

18 (A) state the amount, if any, of excess assessed value that the
 19 commission has determined may be allocated to the respective
 20 taxing units in the manner prescribed in section 26(b)(1) of
 21 this chapter; or

22 (B) state that the commission has determined that there is no
 23 excess assessed value that may be allocated to the respective
 24 taxing units in the manner prescribed in section 26(b)(1) of
 25 this chapter.

26 The county auditor shall allocate to the respective taxing units the
 27 amount, if any, of excess assessed value determined by the
 28 commission. **If a commission fails to provide the notice under**
 29 **this subdivision, the county auditor shall allocate five percent**
 30 **(5%) of the assessed value in the allocation area that is used**
 31 **to calculate the allocation and distribution of allocated tax**
 32 **proceeds under this section to the respective taxing units.**
 33 **However, if the commission notifies the county auditor and**
 34 **the department of local government finance, no later than**
 35 **July 1, that it is unable to meet its debt service obligations**
 36 **with regard to the allocation area without all or part of the**
 37 **allocated tax proceeds attributed to the assessed value that**
 38 **has been allocated to the respective taxing units, then the**
 39 **county auditor may not allocate five percent (5%) of the**
 40 **assessed value in the allocation area that is used to calculate**
 41 **the allocation and distribution of allocated tax proceeds under**
 42 **this section to the respective taxing units.**



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(g) This subsection applies to an allocation area only to the extent that the net assessed value of property that is assessed as residential property under the rules of the department of local government finance is not included in the base assessed value. If property tax installments with respect to a homestead (as defined in IC 6-1.1-20.9-1 (before its repeal)) are due in installments established by the department of local government finance under IC 6-1.1-22-9.5, each taxpayer subject to those installments in an allocation area is entitled to an additional credit under subsection (d) for the taxes (as defined in IC 6-1.1-21-2 (before its repeal)) due in installments. The credit shall be applied in the same proportion to each installment of taxes (as defined in IC 6-1.1-21-2 (before its repeal)).

SECTION 155. IC 36-7-15.1-53, AS AMENDED BY P.L. 174-2022, SECTION 73, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 53. (a) As used in this section:

"Allocation area" means that part of a redevelopment project area to which an allocation provision of a resolution adopted under section 40 of this chapter refers for purposes of distribution and allocation of property taxes.

"Base assessed value" means, subject to subsection (j):

(1) the net assessed value of all the property as finally determined for the assessment date immediately preceding the effective date of the allocation provision of the declaratory resolution, as adjusted under subsection (h); plus

(2) to the extent that it is not included in subdivision (1), the net assessed value of property that is assessed as residential property under the rules of the department of local government finance, as finally determined for the current assessment date.

Except as provided in section 55 of this chapter, "property taxes" means taxes imposed under IC 6-1.1 on real property.

(b) A resolution adopted under section 40 of this chapter on or before the allocation deadline determined under subsection (i) may include a provision with respect to the allocation and distribution of property taxes for the purposes and in the manner provided in this section. A resolution previously adopted may include an allocation provision by the amendment of that resolution on or before the allocation deadline determined under subsection (i) in accordance with the procedures required for its original adoption. A declaratory resolution or an amendment that establishes an allocation provision must be approved by resolution of the legislative body of the excluded city and must specify an expiration date for the allocation provision. For an allocation area established before July 1, 2008, the expiration

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1 date may not be more than thirty (30) years after the date on which the
 2 allocation provision is established. For an allocation area established
 3 after June 30, 2008, the expiration date may not be more than
 4 twenty-five (25) years after the date on which the first obligation was
 5 incurred to pay principal and interest on bonds or lease rentals on
 6 leases payable from tax increment revenues. However, with respect to
 7 bonds or other obligations that were issued before July 1, 2008, if any
 8 of the bonds or other obligations that were scheduled when issued to
 9 mature before the specified expiration date and that are payable only
 10 from allocated tax proceeds with respect to the allocation area remain
 11 outstanding as of the expiration date, the allocation provision does not
 12 expire until all of the bonds or other obligations are no longer
 13 outstanding. The allocation provision may apply to all or part of the
 14 redevelopment project area. The allocation provision must require that
 15 any property taxes subsequently levied by or for the benefit of any
 16 public body entitled to a distribution of property taxes on taxable
 17 property in the allocation area be allocated and distributed as follows:

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

20 (A) the assessed value of the property for the assessment date
 21 with respect to which the allocation and distribution is made;
 22 or

23 (B) the base assessed value;
 24 shall be allocated to and, when collected, paid into the funds of
 25 the respective taxing units.

26 (2) The excess of the proceeds of the property taxes imposed for
 27 the assessment date with respect to which the allocation and
 28 distribution is made that are attributable to taxes imposed after
 29 being approved by the voters in a referendum or local public
 30 question conducted after April 30, 2010, not otherwise included
 31 in subdivision (1) shall be allocated to and, when collected, paid
 32 into the funds of the taxing unit for which the referendum or local
 33 public question was conducted.

34 (3) Except as otherwise provided in this section, property tax
 35 proceeds in excess of those described in subdivisions (1) and (2)
 36 shall be allocated to the redevelopment district and, when
 37 collected, paid into a special fund for that allocation area that may
 38 be used by the redevelopment district only to do one (1) or more
 39 of the following:

40 (A) Pay the principal of and interest on any obligations
 41 payable solely from allocated tax proceeds that are incurred by
 42 the redevelopment district for the purpose of financing or

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refinancing the redevelopment of 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.

(C) Pay the principal of and interest on bonds payable from allocated tax proceeds in that allocation area and from the special tax levied under section 50 of this chapter.

(D) Pay the principal of and interest on bonds issued by the excluded city to pay for local public improvements that are physically located in or physically connected to that allocation area.

(E) Pay premiums on the redemption before maturity of bonds payable solely or in part from allocated tax proceeds in that allocation area.

(F) Make payments on leases payable from allocated tax proceeds in that allocation area under section 46 of this chapter.

(G) Reimburse the excluded city for expenditures for local public improvements (which include buildings, park facilities, and other items set forth in section 45 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) 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 within three (3) years after the date on which the investments that are the basis for the increment financing are made.

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

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following:

(A) Determine the amount, if any, by which the assessed value of the taxable property in the allocation area for the most recent assessment date minus the base assessed value, when multiplied by the estimated tax rate of the allocation area, will exceed the amount of assessed value needed to provide the property taxes necessary to make, when due, principal and interest payments on bonds described in subdivision (3) plus the amount necessary for other purposes described in subdivision (3) and subsection (g).

(B) Provide a written notice to the county auditor, the fiscal body of the county or municipality that established the department of redevelopment, the officers who are authorized to fix budgets, tax rates, and tax levies under IC 6-1.1-17-5 for each of the other taxing units that is wholly or partly located within the allocation area, and (in an electronic format) the department of local government finance. The notice must:

- (i) state the amount, if any, of excess assessed value that the commission has determined may be allocated to the respective taxing units in the manner prescribed in subdivision (1); or
- (ii) state that the commission has determined that there is no excess assessed value that may be allocated to the respective taxing units in the manner prescribed in subdivision (1).

The county auditor shall allocate to the respective taxing units the amount, if any, of excess assessed value determined by the commission. The commission may not authorize an allocation to the respective taxing units under this subdivision if to do so would endanger the interests of the holders of bonds described in subdivision (3). **If a commission fails to provide the notice under this clause, the county auditor shall allocate five percent (5%) of the assessed value in the allocation area that is used to calculate the allocation and distribution of allocated tax proceeds under this section to the respective taxing units. However, if the commission notifies the county auditor and the department of local government finance, no later than July 1, 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**



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allocation area that is used to calculate the allocation and distribution of allocated tax proceeds under this section to the respective taxing units.

(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 date of the allocation provision of the resolution is the lesser of:

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

(2) the base assessed value.

(d) Property tax proceeds allocable to the redevelopment district under subsection (b)(3) may, subject to subsection (b)(4), be irrevocably pledged by the redevelopment district for payment as set forth in subsection (b)(3).

(e) Notwithstanding any other law, each assessor shall, upon petition of the commission, reassess the taxable property situated upon or in, or added to, the allocation area, effective on the next assessment date after the petition.

(f) Notwithstanding any other law, the assessed value of all taxable property in the allocation area, for purposes of tax limitation, property tax replacement, and formulation of the budget, tax rate, and tax levy for each political subdivision in which the property is located, is the lesser of:

(1) the assessed value of the property as valued without regard to this section; or

(2) the base assessed value.

(g) If any part of the allocation area is located in an enterprise zone created under IC 5-28-15, the unit that designated the allocation area shall create funds as specified in this subsection. A unit that has obligations, bonds, or leases payable from allocated tax proceeds under subsection (b)(3) shall establish an allocation fund for the purposes specified in subsection (b)(3) and a special zone fund. Such a unit shall, until the end of the enterprise zone phase out period, deposit each year in the special zone fund the amount in the allocation fund derived from property tax proceeds in excess of those described in subsection (b)(1) and (b)(2) from property located in the enterprise zone that exceeds the amount sufficient for the purposes specified in subsection (b)(3) for the year. A unit that has no obligations, bonds, or leases payable from allocated tax proceeds under subsection (b)(3) shall establish a special zone fund and deposit all the property tax proceeds in excess of those described in subsection (b)(1) and (b)(2) in the fund derived from property tax proceeds in excess of those described in

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subsection (b)(1) and (b)(2) from property located in the enterprise zone. The unit that creates the special zone fund shall use the fund, based on the recommendations of the urban enterprise association, for one (1) or more of the following purposes:

(1) To pay for programs in job training, job enrichment, and basic skill development designed to benefit residents and employers in the enterprise zone. The programs must reserve at least one-half (1/2) of the enrollment in any session for residents of the enterprise zone.

(2) To make loans and grants for the purpose of stimulating business activity in the enterprise zone or providing employment for enterprise zone residents in an enterprise zone. These loans and grants may be made to the following:

(A) Businesses operating in the enterprise zone.

(B) Businesses that will move their operations to the enterprise zone if such a loan or grant is made.

(3) To provide funds to carry out other purposes specified in subsection (b)(3). However, where reference is made in subsection (b)(3) to the allocation area, the reference refers, for purposes of payments from the special zone fund, only to that part of the allocation area that is also located in the enterprise zone.

(h) The state board of accounts and department of local government finance shall make the rules and prescribe the forms and procedures that they consider expedient for the implementation of this chapter. After each reassessment of real property in an area under a county's reassessment plan prepared under IC 6-1.1-4-4.2, the ~~department of local government finance~~ **county auditor** shall, **on forms prescribed by the department of local government finance**, adjust the base assessed value one (1) time to neutralize any effect of the reassessment of the real property in the area on the property tax proceeds allocated to the redevelopment district under this section. After each annual adjustment under IC 6-1.1-4-4.5, the ~~department of local government finance~~ **county auditor** shall, **on forms prescribed by the department of local government finance**, adjust the base assessed value to neutralize any effect of the annual adjustment on the property tax proceeds allocated to the redevelopment district under this section. However, the adjustments under this subsection may not include the effect of property tax abatements under IC 6-1.1-12.1, and these adjustments may not produce less property tax proceeds allocable to the redevelopment district under subsection (b)(3) than would otherwise have been received if the reassessment under the county's reassessment plan or annual adjustment had not occurred. ~~The~~

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department of local government finance may prescribe procedures for county and township officials to follow to assist the department in making the adjustments. **The county auditor shall, in the manner prescribed by the department of local government finance, submit the forms required by this subsection to the department of local government finance no later than July 15 of each year.**

(i) The allocation deadline referred to in subsection (b) is determined in the following manner:

(1) The initial allocation deadline is December 31, 2011.

(2) Subject to subdivision (3), the initial allocation deadline and subsequent allocation deadlines are automatically extended in increments of five (5) years, so that allocation deadlines subsequent to the initial allocation deadline fall on December 31, 2016, and December 31 of each fifth year thereafter.

(3) At least one (1) year before the date of an allocation deadline determined under subdivision (2), the general assembly may enact a law that:

(A) terminates the automatic extension of allocation deadlines under subdivision (2); and

(B) specifically designates a particular date as the final allocation deadline.

(j) If the commission adopts a declaratory resolution or an amendment to a declaratory resolution that contains an allocation provision and the commission makes either of the filings required under section 10(e) of this chapter after the first anniversary of the effective date of the allocation provision, the auditor of the county in which the unit is located shall compute the base assessed value for the allocation area using the assessment date immediately preceding the later of:

(1) the date on which the documents are filed with the county auditor; or

(2) the date on which the documents are filed with the department of local government finance.

(k) For an allocation area established after June 30, 2024, "residential property" refers to the assessed value of property that is allocated to the one percent (1%) homestead land and improvement categories in the county tax and billing software system, along with the residential assessed value as defined for purposes of calculating the rate for the local income tax property tax relief credit designated for residential property under IC 6-3.6-5-6(d)(3).

SECTION 156. IC 36-7-15.1-53, AS AMENDED BY P.L.68-2025, SECTION 236, IS AMENDED TO READ AS FOLLOWS

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[EFFECTIVE JULY 1, 2028]: Sec. 53. (a) As used in this section:

"Allocation area" means that part of a redevelopment project area to which an allocation provision of a resolution adopted under section 40 of this chapter refers for purposes of distribution and allocation of property taxes.

"Base assessed value" means, subject to subsection (j):

(1) the net assessed value of all the property as finally determined for the assessment date immediately preceding the effective date of the allocation provision of the declaratory resolution, as adjusted under subsection (h); plus

(2) to the extent that it is not included in subdivision (1), the net assessed value of property that is assessed as residential property under the rules of the department of local government finance, as finally determined for the current assessment date.

Except as provided in section 55 of this chapter, "property taxes" means taxes imposed under IC 6-1.1 on real property.

(b) A resolution adopted under section 40 of this chapter on or before the allocation deadline determined under subsection (i) may include a provision with respect to the allocation and distribution of property taxes for the purposes and in the manner provided in this section. A resolution previously adopted may include an allocation provision by the amendment of that resolution on or before the allocation deadline determined under subsection (i) in accordance with the procedures required for its original adoption. A declaratory resolution or an amendment that establishes an allocation provision must be approved by resolution of the legislative body of the excluded city and must specify an expiration date for the allocation provision. For an allocation area established before July 1, 2008, the expiration date may not be more than thirty (30) years after the date on which the allocation provision is established. For an allocation area established after June 30, 2008, the expiration date may not be more than twenty-five (25) years after the date on which the first obligation was incurred to pay principal and interest on bonds or lease rentals on leases payable from tax increment revenues. However, with respect to bonds or other obligations that were issued before July 1, 2008, if any of the bonds or other obligations that were scheduled when issued to mature before the specified expiration date and that are payable only from allocated tax proceeds with respect to the allocation area remain outstanding as of the expiration date, the allocation provision does not expire until all of the bonds or other obligations are no longer outstanding. The allocation provision may apply to all or part of the redevelopment project area. The allocation provision must require that

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any property taxes subsequently levied by or for the benefit of any public body entitled to a distribution of property taxes on taxable property in the allocation area be allocated and distributed as follows:

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

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

or

(B) the base assessed value;

shall be allocated to and, when collected, paid into the funds of the respective taxing units.

(2) The excess of the proceeds of the property taxes imposed for the assessment date with respect to which the allocation and distribution is made that are attributable to taxes imposed after being approved by the voters in a referendum or local public question conducted after April 30, 2010, not otherwise included in subdivision (1) shall be allocated to and, when collected, paid into the funds of the taxing unit for which the referendum or local 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 redevelopment district and, when collected, paid into a special fund for that allocation area that may be used by the redevelopment district only to do one (1) or more of the following:

(A) Pay the principal of and interest on any obligations payable solely from allocated tax proceeds that are incurred by the redevelopment district for the purpose of financing or refinancing the redevelopment of 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.

(C) Pay the principal of and interest on bonds payable from allocated tax proceeds in that allocation area and from the special tax levied under section 50 of this chapter.

(D) Pay the principal of and interest on bonds issued by the excluded city to pay for local public improvements that are physically located in or physically connected to that allocation area.

(E) Pay premiums on the redemption before maturity of bonds payable solely or in part from allocated tax proceeds in that allocation area.

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(F) Make payments on leases payable from allocated tax proceeds in that allocation area under section 46 of this chapter.

(G) Reimburse the excluded city for expenditures for local public improvements (which include buildings, park facilities, and other items set forth in section 45 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) 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 within three (3) years after the date on which the investments that are the basis for the increment financing are made.

The special fund may not be used for operating expenses of the commission.

(4) Before June 15 of each year, the commission shall do the following:

(A) Determine the amount, if any, by which the assessed value of the taxable property in the allocation area for the most recent assessment date minus the base assessed value, when multiplied by the estimated tax rate of the allocation area, will exceed the amount of assessed value needed to provide the property taxes necessary to make, when due, principal and interest payments on bonds described in subdivision (3) plus the amount necessary for other purposes described in subdivision (3) and subsection (g).

(B) Provide a written notice to the county auditor, the fiscal body of the county or municipality that established the department of redevelopment, the officers who are authorized to fix budgets, tax rates, and tax levies under IC 6-1.1-17-5 for

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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 1, 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) 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 date of the allocation provision of the resolution is the lesser of:

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

(2) the base assessed value.

(d) Property tax proceeds allocable to the redevelopment district under subsection (b)(3) may, subject to subsection (b)(4), be irrevocably pledged by the redevelopment district for payment as set forth in subsection (b)(3).

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(e) Notwithstanding any other law, each assessor shall, upon petition of the commission, reassess the taxable property situated upon or in, or added to, the allocation area, effective on the next assessment date after the petition.

(f) Notwithstanding any other law, the assessed value of all taxable property in the allocation area, for purposes of tax limitation, property tax replacement, and formulation of the budget, tax rate, and tax levy for each political subdivision in which the property is located, is the lesser of:

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

(g) If any part of the allocation area is located in an enterprise zone created under IC 5-28-15, the unit that designated the allocation area shall create funds as specified in this subsection. A unit that has obligations, bonds, or leases payable from allocated tax proceeds under subsection (b)(3) shall establish an allocation fund for the purposes specified in subsection (b)(3) and a special zone fund. Such a unit shall, until the end of the enterprise zone phase out period, deposit each year in the special zone fund the amount in the allocation fund derived from property tax proceeds in excess of those described in subsection (b)(1) and (b)(2) from property located in the enterprise zone that exceeds the amount sufficient for the purposes specified in subsection (b)(3) for the year. A unit that has no obligations, bonds, or leases payable from allocated tax proceeds under subsection (b)(3) shall establish a special zone fund and deposit all the property tax proceeds in excess of those described in subsection (b)(1) and (b)(2) in the fund derived from property tax proceeds in excess of those described in subsection (b)(1) and (b)(2) from property located in the enterprise zone. The unit that creates the special zone fund shall use the fund, based on the recommendations of the urban enterprise association, for one (1) or more of the following purposes:

- (1) To pay for programs in job training, job enrichment, and basic skill development designed to benefit residents and employers in the enterprise zone. The programs must reserve at least one-half (1/2) of the enrollment in any session for residents of the enterprise zone.
- (2) To make loans and grants for the purpose of stimulating business activity in the enterprise zone or providing employment for enterprise zone residents in an enterprise zone. These loans and grants may be made to the following:
 - (A) Businesses operating in the enterprise zone.

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1 (B) Businesses that will move their operations to the enterprise
2 zone if such a loan or grant is made.

3 (3) To provide funds to carry out other purposes specified in
4 subsection (b)(3). However, where reference is made in
5 subsection (b)(3) to the allocation area, the reference refers, for
6 purposes of payments from the special zone fund, only to that part
7 of the allocation area that is also located in the enterprise zone.

8 (h) The state board of accounts and department of local government
9 finance shall make the rules and prescribe the forms and procedures
10 that they consider expedient for the implementation of this chapter.
11 After each reassessment of real property in an area under a county's
12 reassessment plan prepared under IC 6-1.1-4-4.2, the ~~department of~~
13 ~~local government finance~~ **county auditor** shall, **on forms prescribed**
14 **by the department of local government finance**, adjust the base
15 assessed value one (1) time to neutralize any effect of the reassessment
16 of the real property in the area on the property tax proceeds allocated
17 to the redevelopment district under this section. After each annual
18 adjustment under IC 6-1.1-4-4.5, the ~~department of local government~~
19 ~~finance~~ **county auditor** shall, **on forms prescribed by the**
20 **department of local government finance**, adjust the base assessed
21 value to neutralize any effect of the annual adjustment on the property
22 tax proceeds allocated to the redevelopment district under this section.
23 However, the adjustments under this subsection may not include the
24 effect of property tax abatements under IC 6-1.1-12.1, and these
25 adjustments may not produce less property tax proceeds allocable to
26 the redevelopment district under subsection (b)(3) than would
27 otherwise have been received if the reassessment under the county's
28 reassessment plan or annual adjustment had not occurred. ~~The~~
29 ~~department of local government finance may prescribe procedures for~~
30 ~~county and township officials to follow to assist the department in~~
31 ~~making the adjustments.~~ **The county auditor shall, in the manner**
32 **prescribed by the department of local government finance, submit**
33 **the forms required by this subsection to the department of local**
34 **government finance no later than July 15 of each year.**

35 (i) The allocation deadline referred to in subsection (b) is
36 determined in the following manner:

- 37 (1) The initial allocation deadline is December 31, 2011.
38 (2) Subject to subdivision (3), the initial allocation deadline and
39 subsequent allocation deadlines are automatically extended in
40 increments of five (5) years, so that allocation deadlines
41 subsequent to the initial allocation deadline fall on December 31,
42 2016, and December 31 of each fifth year thereafter.

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(3) At least one (1) year before the date of an allocation deadline determined under subdivision (2), the general assembly may enact a law that:

(A) terminates the automatic extension of allocation deadlines under subdivision (2); and

(B) specifically designates a particular date as the final allocation deadline.

(j) If the commission adopts a declaratory resolution or an amendment to a declaratory resolution that contains an allocation provision and the commission makes either of the filings required under section 10(e) of this chapter after the first anniversary of the effective date of the allocation provision, the auditor of the county in which the unit is located shall compute the base assessed value for the allocation area using the assessment date immediately preceding the later of:

(1) the date on which the documents are filed with the county auditor; or

(2) the date on which the documents are filed with the department of local government finance.

(k) For an allocation area established after June 30, 2024, "residential property" refers to the assessed value of property that is allocated to the one percent (1%) homestead land and improvement categories in the county tax and billing software system, along with the residential assessed value as defined for purposes of calculating the rate for the local income tax property tax relief credit designated for residential property under IC 6-3.6-5-6(d)(3) (before its expiration).

SECTION 157. IC 36-7-15.1-62, AS AMENDED BY P.L.257-2019, SECTION 131, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 62. (a) Notwithstanding section 26(a) of this chapter, with respect to the allocation and distribution of property taxes for the accomplishment of the purposes of an age-restricted housing program adopted under section 59 of this chapter, "base assessed value" means, subject to section 26(j) of this chapter, the net assessed value of all of the property, other than personal property, as finally determined for the assessment date immediately preceding the effective date of the allocation provision, as adjusted under section 26(h) of this chapter.

(b) The allocation fund established under section 26(b) of this chapter for the allocation area for an age-restricted housing program adopted under section 59 of this chapter may be used only for purposes related to the accomplishment of the purposes of the program, including, but not limited to, the following:

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(1) The construction of any infrastructure (including streets, sidewalks, and sewers) or local public improvements in, serving, or benefiting the allocation area.

(2) The acquisition of real property and interests in real property within the allocation area.

(3) The preparation of real property in anticipation of development of the real property within the allocation area.

(4) To do any of the following:

(A) Pay the principal of and interest on bonds or any other obligations payable from allocated tax proceeds in the allocation area that are incurred by the redevelopment district for the purpose of financing or refinancing the age-restricted housing program established under section 59 of this chapter for the allocation area.

(B) Establish, augment, or restore the debt service reserve for bonds payable solely or in part from allocated tax proceeds in the allocation area.

(C) Pay the principal of and interest on bonds payable from allocated tax proceeds in the allocation area and from the special tax levied under section 19 of this chapter.

(D) Pay the principal of and interest on bonds issued by the unit to pay for local public improvements that are physically located in or physically connected to the allocation area.

(E) Pay premiums on the redemption before maturity of bonds payable solely or in part from allocated tax proceeds in the allocation area.

(F) Make payments on leases payable from allocated tax proceeds in the allocation area under section 17.1 of this chapter.

(G) Reimburse the unit for expenditures made by the unit for local public improvements (which include buildings, parking facilities, and other items described in section 17(a) of this chapter) that are physically located in or physically connected to the allocation area.

(c) Notwithstanding section 26(b) of this chapter, the commission shall, relative to the allocation fund established under section 26(b) of this chapter for an allocation area for an age-restricted housing program adopted under section 59 of this chapter, do the following before June 15 of each year:

(1) 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

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1 by the estimated tax rate of the allocation area, will exceed the
 2 amount of assessed value needed to produce the property taxes
 3 necessary to:

4 (A) make the distribution required under section 26(b)(2) of
 5 this chapter;

6 (B) make, when due, principal and interest payments on bonds
 7 described in section 26(b)(3) of this chapter;

8 (C) pay the amount necessary for other purposes described in
 9 section 26(b)(3) of this chapter; and

10 (D) reimburse the county or municipality for anticipated
 11 expenditures described in subsection (b)(2).

12 (2) Provide a written notice to the county auditor, the fiscal body
 13 of the county or municipality that established the department of
 14 redevelopment, the officers who are authorized to fix budgets, tax
 15 rates, and tax levies under IC 6-1.1-17-5 for each of the other
 16 taxing units that is wholly or partly located within the allocation
 17 area, and (in an electronic format) the department of local
 18 government finance. The notice must:

19 (A) state the amount, if any, of excess property taxes that the
 20 commission has determined may be paid to the respective
 21 taxing units in the manner prescribed in section 26(b)(1) of
 22 this chapter; or

23 (B) state that the commission has determined that there is no
 24 excess assessed value that may be allocated to the respective
 25 taxing units in the manner prescribed in subdivision (1).

26 The county auditor shall allocate to the respective taxing units the
 27 amount, if any, of excess assessed value determined by the
 28 commission. **If a commission fails to provide the notice under**
 29 **subdivision (2), the county auditor shall allocate five percent (5%)**
 30 **of the assessed value in the allocation area that is used to calculate**
 31 **the allocation and distribution of allocated tax proceeds under this**
 32 **section to the respective taxing units. However, if the commission**
 33 **notifies the county auditor and the department of local government**
 34 **finance, no later than July 1, that it is unable to meet its debt**
 35 **service obligations with regard to the allocation area without all or**
 36 **part of the allocated tax proceeds attributed to the assessed value**
 37 **that has been allocated to the respective taxing units, then the**
 38 **county auditor may not 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.**

42 SECTION 158. IC 36-7-30-25, AS AMENDED BY P.L.174-2022,

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SECTION 74, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 25. (a) The following definitions apply throughout this section:

(1) "Allocation area" means that part of a military base reuse area to which an allocation provision of a declaratory resolution adopted under section 10 of this chapter refers for purposes of distribution and allocation of property taxes.

(2) "Base assessed value" means, subject to subsection (i):

(A) the net assessed value of all the property as finally determined for the assessment date immediately preceding the adoption date of the allocation provision of the declaratory resolution, as adjusted under subsection (h); plus

(B) to the extent that it is not included in clause (A) or (C), the net assessed value of any and all parcels or classes of parcels identified as part of the base assessed value in the declaratory resolution or an amendment thereto, as finally determined for any subsequent assessment date; plus

(C) to the extent that it is not included in clause (A) or (B), the net assessed value of property that is assessed as residential property under the rules of the department of local government finance, within the allocation area, as finally determined for the current assessment date.

Clause (C) applies only to allocation areas established in a military reuse area after June 30, 1997, and to the part of an allocation area that was established before June 30, 1997, and that is added to an existing allocation area after June 30, 1997.

(3) "Property taxes" means taxes imposed under IC 6-1.1 on real property.

(b) A declaratory resolution adopted under section 10 of this chapter before the date set forth in IC 36-7-14-39(b) pertaining to declaratory resolutions adopted under IC 36-7-14-15 may include a provision with respect to the allocation and distribution of property taxes for the purposes and in the manner provided in this section. A declaratory resolution previously adopted may include an allocation provision by the amendment of that declaratory resolution in accordance with the procedures set forth in section 13 of this chapter. The allocation provision may apply to all or part of the military base reuse area. The allocation provision must require that any property taxes subsequently levied by or for the benefit of any public body entitled to a distribution of property taxes on taxable property in the allocation area be allocated and distributed as follows:

(1) Except as otherwise provided in this section, the proceeds of



the taxes attributable to the lesser of:

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

(B) the base assessed value;

shall be allocated to and, when collected, paid into the funds of the respective taxing units.

(2) The excess of the proceeds of the property taxes imposed for the assessment date with respect to which the allocation and distribution are made that are attributable to taxes imposed after being approved by the voters in a referendum or local public question conducted after April 30, 2010, not otherwise included in subdivision (1) shall be allocated to and, when collected, paid into the funds of the taxing unit for which the referendum or local 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

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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 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

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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.

(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 a taxing unit after the effective date of the allocation provision of the declaratory resolution is the lesser of:

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

(d) Property tax proceeds allocable to the military base reuse district under subsection (b)(3) may, subject to subsection (b)(4), be irrevocably pledged by the military base reuse district for payment as set forth in subsection (b)(3).

(e) Notwithstanding any other law, each assessor shall, upon petition of the reuse authority, reassess the taxable property situated upon or in or added to the allocation area, effective on the next assessment date after the petition.

(f) Notwithstanding any other law, the assessed value of all taxable property in the allocation area, for purposes of tax limitation, property tax replacement, and the making of the budget, tax rate, and tax levy for each political subdivision in which the property is located is the lesser of:

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

(g) If any part of the allocation area is located in an enterprise zone created under IC 5-28-15, the unit that designated the allocation area shall create funds as specified in this subsection. A unit that has obligations, bonds, or leases payable from allocated tax proceeds under subsection (b)(3) shall establish an allocation fund for the purposes specified in subsection (b)(3) and a special zone fund. Such a unit shall, until the end of the enterprise zone phase out period, deposit each year in the special zone fund any amount in the allocation fund derived from property tax proceeds in excess of those described in subsection (b)(1) and (b)(2) from property located in the enterprise zone that exceeds the amount sufficient for the purposes specified in subsection (b)(3) for the year. The amount sufficient for purposes specified in subsection (b)(3) for the year shall be determined based on the pro rata

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part of such current property tax proceeds from the part of the enterprise zone that is within the allocation area as compared to all such current property tax proceeds derived from the allocation area. A unit that does not have obligations, bonds, or leases payable from allocated tax proceeds under subsection (b)(3) shall establish a special zone fund and deposit all the property tax proceeds in excess of those described in subsection (b)(1) and (b)(2) that are derived from property in the enterprise zone in the fund. The unit that creates the special zone fund shall use the fund (based on the recommendations of the urban enterprise association) for programs in job training, job enrichment, and basic skill development that are designed to benefit residents and employers in the enterprise zone or other purposes specified in subsection (b)(3), except that where reference is made in subsection (b)(3) to allocation area it shall refer for purposes of payments from the special zone fund only to that part of the allocation area that is also located in the enterprise zone. The programs shall reserve at least one-half (1/2) of their enrollment in any session for residents of the enterprise zone.

(h) After each reassessment of real property in an area under the county's reassessment plan under IC 6-1.1-4-4.2, the ~~department of local government finance~~ **county auditor** shall, **on forms prescribed by the department of local government finance**, adjust the base assessed value one (1) time to neutralize any effect of the reassessment of the real property in the area on the property tax proceeds allocated to the military base reuse district under this section. After each annual adjustment under IC 6-1.1-4-4.5, the ~~department of local government finance~~ **county auditor** shall, **on forms prescribed by the department of local government finance**, adjust the base assessed value to neutralize any effect of the annual adjustment on the property tax proceeds allocated to the military base reuse district under this section. However, the adjustments under this subsection may not include the effect of property tax abatements under IC 6-1.1-12.1, and these adjustments may not produce less property tax proceeds allocable to the military base reuse district under subsection (b)(3) than would otherwise have been received if the reassessment under the county's reassessment plan or annual adjustment had not occurred. ~~The department of local government finance may prescribe procedures for county and township officials to follow to assist the department in making the adjustments. The county auditor shall, in the manner prescribed by the department of local government finance, submit the forms required by this subsection to the department of local government finance no later than July 15 of each year.~~

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(i) If the reuse authority adopts a declaratory resolution or an amendment to a declaratory resolution that contains an allocation provision and the reuse authority makes either of the filings required under section 12(c) or 13(f) of this chapter after the first anniversary of the effective date of the allocation provision, the auditor of the county in which the military base reuse district is located shall compute the base assessed value for the allocation area using the assessment date immediately preceding the later of:

(1) the date on which the documents are filed with the county auditor; or

(2) the date on which the documents are filed with the department of local government finance.

(j) For an allocation area established after June 30, 2024, "residential property" refers to the assessed value of property that is allocated to the one percent (1%) homestead land and improvement categories in the county tax and billing software system, along with the residential assessed value as defined for purposes of calculating the rate for the local income tax property tax relief credit designated for residential property under IC 6-3.6-5-6(d)(3).

SECTION 159. IC 36-7-30-25, AS AMENDED BY P.L.68-2025, SECTION 237, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2028]: Sec. 25. (a) The following definitions apply throughout this section:

(1) "Allocation area" means that part of a military base reuse area to which an allocation provision of a declaratory resolution adopted under section 10 of this chapter refers for purposes of distribution and allocation of property taxes.

(2) "Base assessed value" means, subject to subsection (i):

(A) the net assessed value of all the property as finally determined for the assessment date immediately preceding the adoption date of the allocation provision of the declaratory resolution, as adjusted under subsection (h); plus

(B) to the extent that it is not included in clause (A) or (C), the net assessed value of any and all parcels or classes of parcels identified as part of the base assessed value in the declaratory resolution or an amendment thereto, as finally determined for any subsequent assessment date; plus

(C) to the extent that it is not included in clause (A) or (B), the net assessed value of property that is assessed as residential property under the rules of the department of local government finance, within the allocation area, as finally determined for the current assessment date.

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Clause (C) applies only to allocation areas established in a military reuse area after June 30, 1997, and to the part of an allocation area that was established before June 30, 1997, and that is added to an existing allocation area after June 30, 1997.

(3) "Property taxes" means taxes imposed under IC 6-1.1 on real property.

(b) A declaratory resolution adopted under section 10 of this chapter before the date set forth in IC 36-7-14-39(b) pertaining to declaratory resolutions adopted under IC 36-7-14-15 may include a provision with respect to the allocation and distribution of property taxes for the purposes and in the manner provided in this section. A declaratory resolution previously adopted may include an allocation provision by the amendment of that declaratory resolution in accordance with the procedures set forth in section 13 of this chapter. The allocation provision may apply to all or part of the military base reuse area. The allocation provision must require that any property taxes subsequently levied by or for the benefit of any public body entitled to a distribution of property taxes on taxable property in the allocation area be allocated and distributed as follows:

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

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

(B) the base assessed value; shall be allocated to and, when collected, paid into the funds of the respective taxing units.

(2) The excess of the proceeds of the property taxes imposed for the assessment date with respect to which the allocation and distribution are made that are attributable to taxes imposed after being approved by the voters in a referendum or local public question conducted after April 30, 2010, not otherwise included in subdivision (1) shall be allocated to and, when collected, paid into the funds of the taxing unit for which the referendum or local 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

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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 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:

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(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.

(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 a taxing unit after the effective date of the allocation provision of the declaratory resolution is the lesser of:

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

(d) Property tax proceeds allocable to the military base reuse district under subsection (b)(3) may, subject to subsection (b)(4), be irrevocably pledged by the military base reuse district for payment as set forth in subsection (b)(3).

(e) Notwithstanding any other law, each assessor shall, upon petition of the reuse authority, reassess the taxable property situated upon or in or added to the allocation area, effective on the next assessment date after the petition.

(f) Notwithstanding any other law, the assessed value of all taxable

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property in the allocation area, for purposes of tax limitation, property tax replacement, and the making of the budget, tax rate, and tax levy for each political subdivision in which the property is located is the lesser of:

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

(g) If any part of the allocation area is located in an enterprise zone created under IC 5-28-15, the unit that designated the allocation area shall create funds as specified in this subsection. A unit that has obligations, bonds, or leases payable from allocated tax proceeds under subsection (b)(3) shall establish an allocation fund for the purposes specified in subsection (b)(3) and a special zone fund. Such a unit shall, until the end of the enterprise zone phase out period, deposit each year in the special zone fund any amount in the allocation fund derived from property tax proceeds in excess of those described in subsection (b)(1) and (b)(2) from property located in the enterprise zone that exceeds the amount sufficient for the purposes specified in subsection (b)(3) for the year. The amount sufficient for purposes specified in subsection (b)(3) for the year shall be determined based on the pro rata part of such current property tax proceeds from the part of the enterprise zone that is within the allocation area as compared to all such current property tax proceeds derived from the allocation area. A unit that does not have obligations, bonds, or leases payable from allocated tax proceeds under subsection (b)(3) shall establish a special zone fund and deposit all the property tax proceeds in excess of those described in subsection (b)(1) and (b)(2) that are derived from property in the enterprise zone in the fund. The unit that creates the special zone fund shall use the fund (based on the recommendations of the urban enterprise association) for programs in job training, job enrichment, and basic skill development that are designed to benefit residents and employers in the enterprise zone or other purposes specified in subsection (b)(3), except that where reference is made in subsection (b)(3) to allocation area it shall refer for purposes of payments from the special zone fund only to that part of the allocation area that is also located in the enterprise zone. The programs shall reserve at least one-half (1/2) of their enrollment in any session for residents of the enterprise zone.

(h) After each reassessment of real property in an area under the county's reassessment plan under IC 6-1.1-4-4.2, the ~~department of local government finance~~ **county auditor** shall, **on forms prescribed 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 reuse district under this section. After each annual
 4 adjustment under IC 6-1.1-4-4.5, the ~~department of local government~~
 5 **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 reuse district under this
 9 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 reuse district under subsection (b)(3) than would
 13 otherwise have been received if the reassessment under the county's
 14 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.**

21 (i) If the reuse authority adopts a declaratory resolution or an
 22 amendment to a declaratory resolution that contains an allocation
 23 provision and the reuse authority makes either of the filings required
 24 under section 12(c) or 13(f) of this chapter after the first anniversary of
 25 the effective date of the allocation provision, the auditor of the county
 26 in which the military base reuse district is located shall compute the
 27 base assessed value for the allocation area using the assessment date
 28 immediately preceding the later of:

29 (1) the date on which the documents are filed with the county
 30 auditor; or

31 (2) the date on which the documents are filed with the department
 32 of local government finance.

33 (j) For an allocation area established after June 30, 2024,
 34 "residential property" refers to the assessed value of property that is
 35 allocated to the one percent (1%) homestead land and improvement
 36 categories in the county tax and billing software system, along with the
 37 residential assessed value as defined for purposes of calculating the
 38 rate for the local income tax property tax relief credit designated for
 39 residential property under IC 6-3.6-5-6(d)(3) (before its expiration).

40 SECTION 160. IC 36-7-30.5-30, AS AMENDED BY P.L. 174-2022,
 41 SECTION 75, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 42 UPON PASSAGE]: Sec. 30. (a) The following definitions apply



1 throughout this section:

2 (1) "Allocation area" means that part of a military base
3 development area to which an allocation provision of a
4 declaratory resolution adopted under section 16 of this chapter
5 refers for purposes of distribution and allocation of property taxes.

6 (2) "Base assessed value" means, subject to subsection (i):

7 (A) the net assessed value of all the property as finally
8 determined for the assessment date immediately preceding the
9 adoption date of the allocation provision of the declaratory
10 resolution, as adjusted under subsection (h); plus

11 (B) to the extent that it is not included in clause (A) or (C), the
12 net assessed value of any and all parcels or classes of parcels
13 identified as part of the base assessed value in the declaratory
14 resolution or an amendment to the declaratory resolution, as
15 finally determined for any subsequent assessment date; plus

16 (C) to the extent that it is not included in clause (A) or (B), the
17 net assessed value of property that is assessed as residential
18 property under the rules of the department of local government
19 finance, within the allocation area, as finally determined for
20 the current assessment date.

21 (3) "Property taxes" means taxes imposed under IC 6-1.1 on real
22 property.

23 (b) A declaratory resolution adopted under section 16 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 18 of this chapter. The allocation
31 provision may apply to all or part of the military base development
32 area. The allocation provision must require that any property taxes
33 subsequently levied by or for the benefit of any public body entitled to
34 a distribution of property taxes on taxable property in the allocation
35 area be allocated 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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the respective taxing units.

(2) The excess of the proceeds of the property taxes imposed for the assessment date with respect to which the allocation and distribution is made that are attributable to taxes imposed after being approved by the voters in a referendum or local public question conducted after April 30, 2010, not otherwise included in subdivision (1) shall be allocated to and, when collected, paid into the funds of the taxing unit for which the referendum or local 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 development authority and, when collected, paid into an allocation fund for that allocation area that may be used by the development authority 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 development authority or any other entity for the purpose of financing or refinancing military base development or 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 development 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) For property taxes first due and payable before 2009, pay all or a part of a property tax replacement credit to taxpayers in an allocation area as determined by the development authority. 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:

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(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; by

(ii) the total amount of the taxpayer's taxes (as defined in IC 6-1.1-21-2 (before its repeal)) levied in the taxing district that have been allocated during that year to an allocation fund under this section.

If not all the taxpayers in an allocation area receive the credit in full, each taxpayer in the allocation area is entitled to receive the same proportion of the credit. A taxpayer may not receive a credit under this section and a credit under section 32 of this chapter (before its repeal) in the same year.

(F) Pay expenses incurred by the development authority for local public improvements or structures that were in the allocation area or directly serving or benefiting the allocation area.

(G) Reimburse public and private entities for expenses incurred in training employees of industrial facilities that are located:

(i) in the allocation area; and

(ii) on a parcel of real property that has been classified as industrial property under the rules of the department of local government finance.

However, the total amount of money spent for this purpose in any year may not exceed the total amount of money in the allocation fund that is attributable to property taxes paid by the industrial facilities described in this clause. The reimbursements under this clause must be made not more than three (3) years after the date on which the investments that are the basis for the increment financing are made.

(H) Expend money and provide financial assistance as authorized in section 15(26) of this chapter.

The allocation fund may not be used for operating expenses of the development authority.

(4) Except as provided in subsection (g), before July 15 of each year the development authority shall do the following:

(A) Determine the amount, if any, by which property taxes

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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 development authority. The development 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 24 of this chapter. Property taxes received by a taxing unit under this subdivision before 2009 are eligible for the property tax replacement credit provided under IC 6-1.1-21 (before its repeal).

(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 a taxing unit after the effective date of the allocation provision of the declaratory resolution is the lesser of:

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

(2) the base assessed value.

(d) Property tax proceeds allocable to the military base development district under subsection (b)(3) may, subject to subsection (b)(4), be irrevocably pledged by the military base development district for payment as set forth in subsection (b)(3).

(e) Notwithstanding any other law, each assessor shall, upon petition of the development authority, reassess the taxable property situated upon or in or added to the allocation area, effective on the next

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1 assessment date after the petition.

2 (f) Notwithstanding any other law, the assessed value of all taxable
3 property in the allocation area, for purposes of tax limitation, property
4 tax replacement, and the making of the budget, tax rate, and tax levy
5 for each political subdivision in which the property is located is the
6 lesser of:

- 7 (1) the assessed value of the property as valued without regard to
8 this section; or
9 (2) the base assessed value.

10 (g) If any part of the allocation area is located in an enterprise zone
11 created under IC 5-28-15, the development authority shall create funds
12 as specified in this subsection. A development authority that has
13 obligations, bonds, or leases payable from allocated tax proceeds under
14 subsection (b)(3) shall establish an allocation fund for the purposes
15 specified in subsection (b)(3) and a special zone fund. The
16 development authority shall, until the end of the enterprise zone phase
17 out period, deposit each year in the special zone fund any amount in the
18 allocation fund derived from property tax proceeds in excess of those
19 described in subsection (b)(1) and (b)(2) from property located in the
20 enterprise zone that exceeds the amount sufficient for the purposes
21 specified in subsection (b)(3) for the year. The amount sufficient for
22 purposes specified in subsection (b)(3) for the year shall be determined
23 based on the pro rata part of such current property tax proceeds from
24 the part of the enterprise zone that is within the allocation area as
25 compared to all such current property tax proceeds derived from the
26 allocation area. A development authority that does not have
27 obligations, bonds, or leases payable from allocated tax proceeds under
28 subsection (b)(3) shall establish a special zone fund and deposit all the
29 property tax proceeds in excess of those described in subsection (b)(1)
30 and (b)(2) that are derived from property in the enterprise zone in the
31 fund. The development authority that creates the special zone fund
32 shall use the fund (based on the recommendations of the urban
33 enterprise association) for programs in job training, job enrichment,
34 and basic skill development that are designed to benefit residents and
35 employers in the enterprise zone or for other purposes specified in
36 subsection (b)(3), except that where reference is made in subsection
37 (b)(3) to an allocation area it shall refer for purposes of payments from
38 the special zone fund only to that part of the allocation area that is also
39 located in the enterprise zone. The programs shall reserve at least
40 one-half (1/2) of their enrollment in any session for residents of the
41 enterprise zone.

42 (h) After each reassessment of real property in an area under a

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reassessment plan prepared under IC 6-1.1-4-4.2, the ~~department of local government finance~~ **county auditor** shall, **on forms prescribed by the department of local government finance**, adjust the base assessed value one (1) time to neutralize any effect of the reassessment of the real property in the area on the property tax proceeds allocated to the military base development district under this section. After each annual adjustment under IC 6-1.1-4-4.5, the ~~department of local government finance~~ **county auditor** shall, **on forms prescribed by the department of local government finance**, adjust the base assessed value to neutralize any effect of the annual adjustment on the property tax proceeds allocated to the military base development district under this section. However, the adjustments under this subsection may not include the effect of property tax abatements under IC 6-1.1-12.1, and these adjustments may not produce less property tax proceeds allocable to the military base development district under subsection (b)(3) than would otherwise have been received if the reassessment under the county's reassessment plan or annual adjustment had not occurred. ~~The department of local government finance may prescribe procedures for county and township officials to follow to assist the department in making the adjustments.~~ **The county auditor shall, in the manner prescribed by the department of local government finance, submit the forms required by this subsection to the department of local government finance no later than July 15 of each year.**

(i) If the development authority adopts a declaratory resolution or an amendment to a declaratory resolution that contains an allocation provision and the development authority makes either of the filings required under section 17(e) or 18(f) of this chapter after the first anniversary of the effective date of the allocation provision, the auditor of the county in which the military base development district is located shall compute the base assessed value for the allocation area using the assessment date immediately preceding the later of:

- (1) the date on which the documents are filed with the county auditor; or
- (2) the date on which the documents are filed with the department of local government finance.

(j) For an allocation area established after June 30, 2024, "residential property" refers to the assessed value of property that is allocated to the one percent (1%) homestead land and improvement categories in the county tax and billing software system, along with the residential assessed value as defined for purposes of calculating the rate for the local income tax property tax relief credit designated for residential property under IC 6-3.6-5-6(d)(3).

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SECTION 161. IC 36-7-30.5-30, AS AMENDED BY P.L.68-2025,
SECTION 238, IS AMENDED TO READ AS FOLLOWS
[EFFECTIVE UPON PASSAGE]: Sec. 30. (a) The following
definitions apply throughout this section:

(1) "Allocation area" means that part of a military base
development area to which an allocation provision of a
declaratory resolution adopted under section 16 of this chapter
refers for purposes of distribution and allocation of property taxes.

(2) "Base assessed value" means, subject to subsection (i):

(A) the net assessed value of all the property as finally
determined for the assessment date immediately preceding the
adoption date of the allocation provision of the declaratory
resolution, as adjusted under subsection (h); plus

(B) to the extent that it is not included in clause (A) or (C), the
net assessed value of any and all parcels or classes of parcels
identified as part of the base assessed value in the declaratory
resolution or an amendment to the declaratory resolution, as
finally determined for any subsequent assessment date; plus

(C) to the extent that it is not included in clause (A) or (B), the
net assessed value of property that is assessed as residential
property under the rules of the department of local government
finance, within the allocation area, as finally determined for
the current assessment date.

(3) "Property taxes" means taxes imposed under IC 6-1.1 on real
property.

(b) A declaratory resolution adopted under section 16 of this chapter
before the date set forth in IC 36-7-14-39(b) pertaining to declaratory
resolutions adopted under IC 36-7-14-15 may include a provision with
respect to the allocation and distribution of property taxes for the
purposes and in the manner provided in this section. A declaratory
resolution previously adopted may include an allocation provision by
the amendment of that declaratory resolution in accordance with the
procedures set forth in section 18 of this chapter. The allocation
provision may apply to all or part of the military base development
area. The allocation provision must require that any property taxes
subsequently levied by or for the benefit of any public body entitled to
a distribution of property taxes on taxable property in the allocation
area be allocated and distributed as follows:

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

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

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1 or
 2 (B) the base assessed value;
 3 shall be allocated to and, when collected, paid into the funds of
 4 the respective taxing units.
 5 (2) The excess of the proceeds of the property taxes imposed for
 6 the assessment date with respect to which the allocation and
 7 distribution is made that are attributable to taxes imposed after
 8 being approved by the voters in a referendum or local public
 9 question conducted after April 30, 2010, not otherwise included
 10 in subdivision (1) shall be allocated to and, when collected, paid
 11 into the funds of the taxing unit for which the referendum or local
 12 public question was conducted.
 13 (3) Except as otherwise provided in this section, property tax
 14 proceeds in excess of those described in subdivisions (1) and (2)
 15 shall be allocated to the development authority and, when
 16 collected, paid into an allocation fund for that allocation area that
 17 may be used by the development authority and only to do one (1)
 18 or more of the following:
 19 (A) Pay the principal of and interest and redemption premium
 20 on any obligations incurred by the development authority or
 21 any other entity for the purpose of financing or refinancing
 22 military base development or reuse activities in or directly
 23 serving or benefiting that allocation area.
 24 (B) Establish, augment, or restore the debt service reserve for
 25 bonds payable solely or in part from allocated tax proceeds in
 26 that allocation area or from other revenues of the development
 27 authority, including lease rental revenues.
 28 (C) Make payments on leases payable solely or in part from
 29 allocated tax proceeds in that allocation area.
 30 (D) Reimburse any other governmental body for expenditures
 31 made for local public improvements (or structures) in or
 32 directly serving or benefiting that allocation area.
 33 (E) For property taxes first due and payable before 2009, pay
 34 all or a part of a property tax replacement credit to taxpayers
 35 in an allocation area as determined by the development
 36 authority. This credit equals the amount determined under the
 37 following STEPS for each taxpayer in a taxing district (as
 38 defined in IC 6-1.1-1-20) that contains all or part of the
 39 allocation area:
 40 STEP ONE: Determine that part of the sum of the amounts
 41 under IC 6-1.1-21-2(g)(1)(A), IC 6-1.1-21-2(g)(2),
 42 IC 6-1.1-21-2(g)(3), IC 6-1.1-21-2(g)(4), and

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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; by
- (ii) the total amount of the taxpayer's taxes (as defined in IC 6-1.1-21-2 (before its repeal)) levied in the taxing district that have been allocated during that year to an allocation fund under this section.

If not all the taxpayers in an allocation area receive the credit in full, each taxpayer in the allocation area is entitled to receive the same proportion of the credit. A taxpayer may not receive a credit under this section and a credit under section 32 of this chapter (before its repeal) in the same year.

(F) Pay expenses incurred by the development authority for local public improvements or structures that were in the allocation area or directly serving or benefiting the allocation area.

(G) Reimburse public and private entities for expenses incurred in training employees of industrial facilities that are located:

- (i) in the allocation area; and
- (ii) on a parcel of real property that has been classified as industrial property under the rules of the department of local government finance.

However, the total amount of money spent for this purpose in any year may not exceed the total amount of money in the allocation fund that is attributable to property taxes paid by the industrial facilities described in this clause. The reimbursements under this clause must be made not more than three (3) years after the date on which the investments that are the basis for the increment financing are made.

(H) Expend money and provide financial assistance as authorized in section 15(26) of this chapter.

The allocation fund may not be used for operating expenses of the development authority.

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(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 development authority. The development 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 24 of this chapter. Property taxes received by a taxing unit under this subdivision before 2009 are eligible for the property tax replacement credit provided under IC 6-1.1-21 (before its repeal).

(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 a taxing unit after the effective date of the allocation provision of the declaratory resolution is the lesser of:

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

(2) the base assessed value.

(d) Property tax proceeds allocable to the military base development district under subsection (b)(3) may, subject to subsection (b)(4), be irrevocably pledged by the military base development district for payment as set forth in subsection (b)(3).

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(e) Notwithstanding any other law, each assessor shall, upon petition of the development authority, reassess the taxable property situated upon or in or added to the allocation area, effective on the next assessment date after the petition.

(f) Notwithstanding any other law, the assessed value of all taxable property in the allocation area, for purposes of tax limitation, property tax replacement, and the making of the budget, tax rate, and tax levy for each political subdivision in which the property is located is the lesser of:

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

(g) If any part of the allocation area is located in an enterprise zone created under IC 5-28-15, the development authority shall create funds as specified in this subsection. A development authority that has obligations, bonds, or leases payable from allocated tax proceeds under subsection (b)(3) shall establish an allocation fund for the purposes specified in subsection (b)(3) and a special zone fund. The development authority shall, until the end of the enterprise zone phase out period, deposit each year in the special zone fund any amount in the allocation fund derived from property tax proceeds in excess of those described in subsection (b)(1) and (b)(2) from property located in the enterprise zone that exceeds the amount sufficient for the purposes specified in subsection (b)(3) for the year. The amount sufficient for purposes specified in subsection (b)(3) for the year shall be determined based on the pro rata part of such current property tax proceeds from the part of the enterprise zone that is within the allocation area as compared to all such current property tax proceeds derived from the allocation area. A development authority that does not have obligations, bonds, or leases payable from allocated tax proceeds under subsection (b)(3) shall establish a special zone fund and deposit all the property tax proceeds in excess of those described in subsection (b)(1) and (b)(2) that are derived from property in the enterprise zone in the fund. The development authority that creates the special zone fund shall use the fund (based on the recommendations of the urban enterprise association) for programs in job training, job enrichment, and basic skill development that are designed to benefit residents and employers in the enterprise zone or for other purposes specified in subsection (b)(3), except that where reference is made in subsection (b)(3) to an allocation area it shall refer for purposes of payments from the special zone fund only to that part of the allocation area that is also located in the enterprise zone. The programs shall reserve at least

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one-half (1/2) of their enrollment in any session for residents of the enterprise zone.

(h) After each reassessment of real property in an area under a reassessment plan prepared under IC 6-1.1-4-4.2, the ~~department of local government finance~~ **county auditor** shall, **on forms prescribed by the department of local government finance**, adjust the base assessed value one (1) time to neutralize any effect of the reassessment of the real property in the area on the property tax proceeds allocated to the military base development district under this section. After each annual adjustment under IC 6-1.1-4-4.5, the ~~department of local government finance~~ **county auditor** shall, **on forms prescribed by the department of local government finance**, adjust the base assessed value to neutralize any effect of the annual adjustment on the property tax proceeds allocated to the military base development district under this section. However, the adjustments under this subsection may not include the effect of property tax abatements under IC 6-1.1-12.1, and these adjustments may not produce less property tax proceeds allocable to the military base development district under subsection (b)(3) than would otherwise have been received if the reassessment under the county's reassessment plan or annual adjustment had not occurred. ~~The department of local government finance may prescribe procedures for county and township officials to follow to assist the department in making the adjustments.~~ **The county auditor shall, in the manner prescribed by the department of local government finance, submit the forms required by this subsection to the department of local government finance no later than July 15 of each year.**

(i) If the development authority adopts a declaratory resolution or an amendment to a declaratory resolution that contains an allocation provision and the development authority makes either of the filings required under section 17(e) or 18(f) of this chapter after the first anniversary of the effective date of the allocation provision, the auditor of the county in which the military base development district is located shall compute the base assessed value for the allocation area using the assessment date immediately preceding the later of:

- (1) the date on which the documents are filed with the county auditor; or
- (2) the date on which the documents are filed with the department of local government finance.

(j) For an allocation area established after June 30, 2024, "residential property" refers to the assessed value of property that is allocated to the one percent (1%) homestead land and improvement categories in the county tax and billing software system, along with the

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1 residential assessed value as defined for purposes of calculating the
 2 rate for the local income tax property tax relief credit designated for
 3 residential property under IC 6-3.6-5-6(d)(3) (before its expiration).

4 SECTION 162. IC 36-7-32-19, AS AMENDED BY P.L.86-2018,
 5 SECTION 349, IS AMENDED TO READ AS FOLLOWS
 6 [EFFECTIVE UPON PASSAGE]: Sec. 19. (a) The state board of
 7 accounts and department of local government finance shall make the
 8 rules and prescribe the forms and procedures that the state board of
 9 accounts and department of local government finance consider
 10 appropriate for the implementation of an allocation area under this
 11 chapter.

12 (b) After each reassessment of real property in an area under a
 13 reassessment plan prepared under IC 6-1.1-4-4.2, the ~~department of~~
 14 ~~local government finance~~ **county auditor** shall, **on forms prescribed**
 15 **by the department of local government finance**, adjust the base
 16 assessed value one (1) time to neutralize any effect of the reassessment
 17 of the real property in the area on the property tax proceeds allocated
 18 to the certified technology park fund under section 17 of this chapter.
 19 After each annual adjustment under IC 6-1.1-4-4.5, the ~~department of~~
 20 ~~local government finance~~ **county auditor** shall, **on forms prescribed**
 21 **by the department of local government finance**, adjust the base
 22 assessed value to neutralize any effect of the annual adjustment on the
 23 property tax proceeds allocated to the certified technology park fund
 24 under section 17 of this chapter.

25 (c) **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.**

29 SECTION 163. IC 36-7-32.5-16, AS ADDED BY P.L.135-2022,
 30 SECTION 28, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 31 UPON PASSAGE]: Sec. 16. (a) The state board of accounts, the
 32 department of state revenue, and the department of local government
 33 finance may adopt rules under IC 4-22-2 and prescribe the forms and
 34 procedures that the state board of accounts, the department of state
 35 revenue, and the department of local government finance consider
 36 appropriate for the implementation of an innovation development
 37 district under this chapter. However, before adopting rules under this
 38 section, the state board of accounts, the department of state revenue,
 39 and the department of local government finance shall submit a report
 40 to the budget committee that:

41 (1) describes the rules proposed by the state board of accounts,
 42 the department of state revenue, and the department of local

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government finance; and

(2) recommends statutory changes necessary to implement the provisions of this chapter.

(b) After each reassessment of real property in an area under a county's reassessment plan prepared under IC 6-1.1-4-4.2, the ~~department of local government finance~~ **county auditor** shall, **on forms prescribed by the department of local government finance**, adjust the base assessed value one (1) time to neutralize any effect of the reassessment of the real property in the area on the property tax proceeds allocated to the local innovation development district fund established by section 19 of this chapter.

(c) After each annual adjustment under IC 6-1.1-4-4.5, the ~~department of local government finance~~ **county auditor** shall, **on forms prescribed by the department of local government finance**, adjust the base assessed value to neutralize any effect of the annual adjustment on the property tax proceeds allocated to the local innovation development district fund established by section 19 of this chapter.

(d) The county auditor shall, in the manner prescribed by the department of local government finance, submit the forms required by this section to the department of local government finance no later than July 15 of each year.

SECTION 164. IC 36-7-42.5 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]:

Chapter 42.5. Tourism Improvement Districts

Sec. 1. This chapter applies to all units except townships.

Sec. 2. As used in this chapter, "activities" means any programs or services that promote business activity or tourism activity and are provided to confer specific benefits upon the businesses that are located in the tourism improvement district.

Sec. 3. As used in this chapter, "district" means a tourism improvement district established by an ordinance adopted under section 13 of this chapter.

Sec. 4. As used in this chapter, "district management association" means a private nonprofit entity designated in the district plan that enters into a contract with a unit to administer and implement the district's activities and improvements.

Sec. 5. As used in this chapter, "district plan" means a proposal for a district that contains the information described in section 9(c) of this chapter.

Sec. 6. As used in this chapter, "improvements" means the



1 acquisition, construction, installation, or maintenance of any
 2 tangible property in the district with an estimated useful life of five
 3 (5) years or more.

4 Sec. 7. As used in this chapter, "legislative body" has the
 5 meaning set forth in IC 36-1-2-9.

6 Sec. 8. As used in this chapter, "owner" refers to any person
 7 recognized by the unit as the owner of a business within the
 8 district, without regard to whether the person is the owner of the
 9 real property on which the business is located.

10 Sec. 9. (a) A person that intends to file a petition for the
 11 establishment of a district under this section must first provide
 12 written notice to the clerk (as defined in IC 36-1-2-4) in the case of
 13 a municipality, or the county auditor in the case of a county, of the
 14 person's intent before initiating the petition process.

15 (b) A petition for the establishment of a district may be filed
 16 with the clerk of the municipality or the county auditor not later
 17 than one hundred twenty (120) days after the date on which the
 18 notice of intent for the petition is filed with the clerk of the
 19 municipality or the county auditor under subsection (a). The
 20 petition shall include the name and legal status of the filing party
 21 and the district plan.

22 (c) The district plan shall include at least the following:

23 (1) The name of the proposed district.

24 (2) Subject to section 9.5 of this chapter, a map of the
 25 proposed district, including a description of the boundaries of
 26 the district in a manner sufficient to identify the businesses
 27 included.

28 (3) The proposed source or sources of financing, including:

29 (A) the proposed method and basis of levying the special
 30 assessment in sufficient detail to allow each owner to
 31 calculate the amount of the special assessment that may be
 32 levied against the owner's business; and

33 (B) whether the district may issue bonds to finance
 34 improvements.

35 (4) A list of the businesses to be assessed and a statement of
 36 the manner in which the expenses of a district using a method
 37 allowed under section 11 of this chapter will be imposed upon
 38 a benefited business in proportion to the benefit received by
 39 the business, including costs for operation and maintenance.

40 (5) For purposes of imposing the special assessment and
 41 determining the benefits of the district's activities and
 42 improvements, a classification of the types of businesses



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within the proposed district. The classification may include the following variations in the assessment formula:

- (A) Square footage of the business.
- (B) Number of employees.
- (C) Geography.
- (D) Gross sales.
- (E) Other similar factors that reasonably relate to the benefit received.
- (6) An estimate of the amount of revenue needed to accomplish or pay for the district's proposed activities and improvements.
- (7) Subject to section 9.5 of this chapter, a statement identifying the district management association, including the district management association's board of directors and governance structure and any proposed rules or regulations that may be applicable to the district.
- (8) A statement indicating where a complete copy of the district plan, whether in hard copy or electronic form, may be obtained or accessed.
- (9) Any other item or matter required to be incorporated in the district plan by the unit's legislative body. The legislative body may require in the district plan that the boundaries of the district be drawn to:
 - (A) exclude businesses; or
 - (B) prevent overlap of the district with another district or area in which a special assessment is imposed.

Sec. 9.5. Owners of the following property may not be included within the territory of a district and the owners of such property shall not be considered in determining whether the petition signature requirements under section 13 of this chapter are met:

- (1) Any property that receives a homestead standard deduction under IC 6-1.1-12-37.
- (2) Any property that is used for single family residential housing.
- (3) Any property that is used for multi-unit residential housing.

In addition, the property described in this section shall not be subject to a special assessment under this chapter.

Sec. 10. Subject to section 9.5 of this chapter, the territory of a tourism improvement district:

- (1) in the case of a municipality, may include only territory within the municipality; or



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(2) in the case of a county, may include only territory of the county that is not within any municipality in the county.

Sec. 11. (a) A special assessment on businesses located within the district shall be levied on the basis of the estimated benefit to the businesses within the district. The unit's legislative body may use the classification of the types of businesses described in section 9(c)(5) of this chapter in determining the benefit to a business provided by the district.

(b) The special assessment that may be levied on businesses located within the district may take any form that confers benefits to the assessed business and may include any combination of the following methods:

(1) A percentage rate per transaction at a business within the district.

(2) A fixed rate per transaction per day at a business within the district.

(3) A percentage of gross sales at a business within the district.

(c) The special assessment may be levied on different types of businesses located within the district and is not required to be levied on the same basis or at the same rate.

Sec. 12. (a) After receipt of a petition under section 9 of this chapter, the clerk of the municipality or the county auditor shall, in the manner provided by IC 5-3-1, publish notice of a hearing on the proposed district. The clerk of the municipality or the county auditor shall mail a copy of the notice to each owner within the proposed district. The notice must include the boundaries of the proposed district, a description of the proposed activities and improvements, the proposed formula for determining the percentage of the total benefit to be received by each business, the method of determining the benefit received by each business, and the hearing date. The date of the hearing may not be more than sixty (60) days after the date on which the notice is mailed.

(b) At the public hearing under subsection (a), the legislative body shall hear all owners in the proposed district (who appear and request to be heard) upon the questions of:

(1) the sufficiency of the notice;

(2) whether the proposed activities and improvements are of public utility and benefit;

(3) whether the formula or method to be used for the assessment of special benefits is appropriate;

(4) whether the district contains all, or more or less than all,



1 of the territory specially benefited by the activities and
 2 improvements; and

3 (5) whether each individual business owner:

4 (A) that did not sign to approve the petition; and

5 (B) would be subject to the assessment of the district that
 6 has otherwise reached the approval threshold;
 7 wishes to make a request for exclusion from the district, to be
 8 approved or denied by the legislative body before the final
 9 passage of the ordinance establishing the district.

10 Sec. 13. (a) After conducting a hearing on the proposed district,
 11 the legislative body may adopt an ordinance establishing the
 12 district if it determines that:

13 (1) the petition meets the requirements of this section and
 14 sections 9 through 11 of this chapter;

15 (2) the activities and improvements to be undertaken in the
 16 district will provide special benefits to businesses in the
 17 district and will be of public utility and benefit;

18 (3) the benefits provided by the activities and improvements
 19 will be new benefits that do not replace benefits existing
 20 before the establishment of the district; and

21 (4) the formula or method to be used for the assessment of
 22 special benefits is appropriate.

23 (b) The legislative body may adopt the ordinance only if it
 24 determines that the petition has been signed by:

25 (1) at least sixty-seven percent (67%) of the owners of
 26 businesses within the proposed district; and

27 (2) the owners of businesses within the proposed district that
 28 constitute more than fifty percent (50%) of the revenue to be
 29 collected from the special assessments.

30 (c) The ordinance shall:

31 (1) incorporate the information set forth in the district plan;

32 (2) specify the time and manner in which special assessments
 33 levied under this chapter are to be collected and paid to the
 34 unit's fiscal officer for deposit in the tourism improvement
 35 fund established under section 14 of this chapter; and

36 (3) include any other content that the legislative body
 37 determines is reasonable as it relates to the operation of the
 38 district.

39 For purposes of subdivision (2), the collection of special
 40 assessments under this chapter may occur at the same time and in
 41 the same manner as for an innkeeper's tax under IC 6-9, including
 42 the application of any enforcement mechanisms and interest and



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1 penalty attributable to innkeeper's taxes under IC 6-9-29.

2 (d) The adoption of an ordinance establishing a district does not
3 affect and may not be construed to authorize any decrease in the
4 level of publicly funded tourism promotion services that existed
5 before the district's establishment.

6 Sec. 14. (a) The unit's fiscal officer shall establish a special fund,
7 known as the tourism improvement fund, and shall deposit in the
8 tourism improvement fund all special assessments received under
9 this chapter and any other amounts received by the fiscal officer.

10 (b) The unit's fiscal officer may transfer money in the tourism
11 improvement fund to the district management association to be
12 used only for the purposes specified in the ordinance establishing
13 the district. Any bonds issued under this chapter are payable solely
14 from special assessments deposited in the tourism improvement
15 fund and other revenues of the district.

16 (c) Any money earned from investment of money in the tourism
17 improvement fund becomes a part of the tourism improvement
18 fund.

19 Sec. 15. (a) The unit shall contract with the district management
20 association designated in the district plan to administer and
21 implement the district's activities and improvements.

22 (b) The district management association may be either an
23 existing nonprofit corporation or a newly formed nonprofit
24 corporation. If the district management association is a new
25 nonprofit corporation created to manage the district, the certificate
26 of incorporation or bylaws of the district management association
27 shall provide for voting representation of owners within the
28 district. If the district management association is an existing
29 nonprofit corporation, the existing nonprofit corporation may
30 create a committee of district owners or owners' representatives.

31 (c) The district management association may make
32 recommendations to the unit's legislative body with respect to any
33 matter involving or relating to the district.

34 (d) The unit's legislative body, for any consideration that it
35 considers appropriate, may license or grant to the district
36 management association the right to undertake or permit
37 commercial activities or other private uses of the streets or other
38 parts of the district in which the unit has any real property
39 interest.

40 Sec. 16. (a) A district may issue bonds to provide improvements.
41 The term of any bonds issued may not exceed ten (10) years. If a
42 district is renewed under section 17 of this chapter, the term of any

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bonds issued may not exceed ten (10) years from the date of renewal.

(b) Bonds issued under this chapter do not constitute an indebtedness of the unit within the meaning of a constitutional or statutory debt limitation.

Sec. 17. (a) The initial term for a district shall be at least three (3) years and not more than ten (10) years.

(b) A district may be renewed for one (1) additional period of not more than ten (10) years by following the procedures for the initial establishment of a district as set forth in sections 9 through 13 of this chapter.

(c) If a district is renewed, any remaining revenues derived from the levy of a special assessment, or any revenues derived from the sale of assets acquired with the revenues, shall be transferred to the renewed district. The following apply to the transfer of any remaining revenues of a renewed district:

(1) If the renewed district includes a business not included in the prior district, the remaining revenues shall be spent to benefit only the business in the prior district.

(2) If the renewed district does not include a business included in the prior district, the remaining revenues attributable to the parcel shall be refunded to the owners of the business by applying the method the district used under section 11 of this chapter to calculate the special assessment before the renewal.

(d) The boundaries, special assessments, improvements, or activities of a renewed district are not required to be the same as the original or prior district.

Sec. 18. An ordinance adopted under section 13 of this chapter may be amended if notice of the proposed amendment is published and mailed in the manner provided by section 12 of this chapter. However, if an amendment proposes to:

(1) levy a new or increased special assessment;

(2) change the district's boundaries; or

(3) issue a new bond;

the unit's legislative body shall require compliance with the procedures set forth in sections 9 through 13 of this chapter before amending the ordinance.

Sec. 19. (a) During the operation of the district, there shall be a thirty (30) day period, beginning one (1) year after the date of the district's establishment and in each year thereafter, in which the owners may request dissolution of the district in accordance with this section.



(b) After a public hearing before the unit's legislative body, the legislative body may dissolve a district by ordinance in either of the following circumstances:

(1) If the legislative body finds there has been misappropriation of funds, malfeasance, or a violation of law in connection with the management of the district.

(2) At any time during the annual thirty (30) day period described in subsection (a).

(c) Upon the written petitions of the owners or authorized representatives of businesses in the district that pay fifty percent (50%) or more of the special assessments levied, the unit's legislative body shall pass a resolution of intention to dissolve the district.

(d) The unit's legislative body shall first adopt a resolution of intention to dissolve the district before the public hearing to dissolve a district under this section. The resolution of intention must include each of the following items:

(1) The reason for the dissolution.

(2) The time and place of the public hearing.

(3) A proposal to dispose of any assets acquired with the revenues of the special assessments levied within the district. The notice of the hearing on the resolution of intent to dissolve the district shall be published in the manner provided by IC 5-3-1 and must also be given by mail to the owner of each business subject to a special assessment in the district. The legislative body shall conduct the public hearing on the resolution of intention to dissolve the district not later than thirty (30) days after the date the notice is mailed to the assessed owners.

(e) The public hearing to dissolve the district shall be held not more than sixty (60) days after the date of the adoption of the resolution of intention.

(f) A dissolution of a district under this section has the effect of repealing the ordinance adopted under section 13 of this chapter that established the district.

Sec. 20. (a) The district management association shall submit an annual report to the legislative body and the fiscal body before January 1 of each year, beginning in the year after the first year of the district's establishment.

(b) The report shall contain the following information:

(1) The use of revenue collected from special assessments levied under this chapter for that year.

(2) The activities and improvements to be provided for the



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ensuing year and an estimate of the cost of providing the activities and improvements for the ensuing year.

(3) The estimated amount of any surplus or deficit revenues to be carried over from the prior year.

Sec. 21. (a) Upon the dissolution or expiration without renewal of a district, any remaining revenues, after all outstanding debts are paid, derived from the:

(1) levy of special assessments; or

(2) sale of assets acquired with the revenues of the district or from bond reserve funds or construction funds;

shall be refunded to the owners located within the district on or before the date of the district's dissolution or expiration without renewal.

(b) The amount of the refund provided under subsection (a) to an owner shall be determined by applying the method the district used under section 11 of this chapter to calculate the special assessment in the year:

(1) in which the district was dissolved or allowed to expire without renewal; or

(2) before the district was dissolved or allowed to expire without renewal if a special assessment had not been levied.

However, in lieu of providing a refund, the unit's legislative body may instead elect to spend any remaining revenues on activities and improvements specified in the ordinance that established the district before its dissolution or expiration without renewal.

(c) Any liabilities incurred by the district are not an obligation of the unit and are payable solely from the collection of special assessments deposited in the special fund under section 14 of this chapter and other revenues of the district.

Sec. 22. Notwithstanding any other provision of this chapter, special assessments levied to pay the principal and interest on any bonds issued under this chapter may not be reduced or terminated if doing so would interfere with the timely retirement of the debt.

SECTION 165. IC 36-7.5-2-10.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE FEBRUARY 28, 2026 (RETROACTIVE)]: **Sec. 10.5.**

(a) All bonds, notes, evidences of indebtedness, leases, or other written obligations issued or executed under this article by or in the name of the:

(1) Indiana finance authority;

(2) development authority; and

(3) city of Gary, the Lake County board of commissioners, or



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1 the Lake County convention center authority established by
 2 IC 36-7.5-7-9;
 3 as authorized or approved by resolution or ordinance adopted by
 4 the entity before February 28, 2026, are hereby legalized and
 5 declared valid.

6 (b) Any pledge, dedication or designation of revenues,
 7 conveyance, or mortgage securing the bonds, notes, evidences of
 8 indebtedness, leases, or other written obligations issued or executed
 9 under this article by or in the name of the:

- 10 (1) Indiana finance authority;
- 11 (2) development authority; and
- 12 (3) city of Gary, the Lake County board of commissioners, or
- 13 the Lake County convention center authority established by
- 14 IC 36-7.5-7-9;

15 as authorized or approved by resolution or ordinance adopted by
 16 the entity before February 28, 2026, are hereby legalized and
 17 declared valid.

18 (c) Any resolutions adopted, proceedings had, and actions taken
 19 under this article by the:

- 20 (1) Indiana finance authority;
- 21 (2) development authority; and
- 22 (3) city of Gary, the Lake County board of commissioners, or
- 23 the Lake County convention center authority established by
- 24 IC 36-7.5-7-9;

25 before February 28, 2026, under which the bonds, notes, evidences
 26 of indebtedness, leases, or other written obligations were or will be
 27 issued or under which the pledge, dedication or designation of
 28 revenues, conveyance, or mortgage was or will be granted are
 29 hereby legalized and declared valid.

30 (d) An action to contest the validity of any action taken under
 31 this article may not be brought after the fifteenth day following the
 32 date the resolution of the:

- 33 (1) Indiana finance authority;
- 34 (2) development authority; or
- 35 (3) city of Gary, the Lake County board of commissioners, or
- 36 the Lake County convention center authority established by
- 37 IC 36-7.5-7-9;

38 is adopted approving the action taken.

39 (e) If an action challenging an action taken under this article is
 40 not brought within the time prescribed by this section, the lease,
 41 contract, bonds, notes, obligations, or other action taken shall be
 42 conclusively presumed to be fully authorized and valid under the



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laws of the state and any person is estopped from further questioning the authorization, validity, execution, delivery, or issuance of the lease, contract, bonds, notes, obligations, or other action.

SECTION 166. IC 36-7.5-4.5-18, AS AMENDED BY P.L.236-2023, SECTION 194, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 18. If a district is established, the following apply to the administration and use of incremental property tax revenue by the development authority, or a redevelopment commission in the case of a district located in a cash participant county, in the district:

(1) The department of local government finance county auditor shall, **on forms prescribed by the department of local government finance**, adjust the base assessed value to neutralize any effect of a reassessment and the annual adjustment of the real property in the district in the same manner as provided in IC 36-7-14-39(h). **The county auditor shall, in the manner prescribed by the department of local government finance, submit the forms required by this subdivision to the department of local government finance no later than July 15 of each year.**

(2) Proceeds of the property taxes approved by the voters in a referendum or local public question shall be allocated to and, when collected, paid into the funds of the taxing unit for which the referendum or local public question was conducted in the same manner as provided in IC 36-7-14-39(b)(3).

(3) Incremental property tax revenue may be used only for one (1) or more of the following purposes for a district:

(A) To finance the improvement, construction, reconstruction, renovation, and acquisition of real and personal property improvements within a district.

(B) To pay the principal of and interest on any obligations that are incurred for the purpose of financing or refinancing development in the district, including local public improvements that are physically located in or physically connected to the district.

(C) To establish, augment, or restore the debt service reserve for bonds payable solely or in part from incremental property tax revenue from the district.

(D) To pay premiums on the redemption before maturity of bonds payable solely or in part from incremental property tax revenue from the district.

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(E) To make payments on leases payable from incremental property tax revenue from the district.

(F) To reimburse a municipality in which a district is located for expenditures made by the municipality for local public improvements that are physically located in or physically connected to the district.

(G) To reimburse a municipality for rentals paid by the municipality for a building or parking facility that is physically located in or physically connected to the district under any lease entered into under IC 36-1-10.

(H) To pay expenses incurred by the development authority for local public improvements that are in the district or serving the district.

SECTION 167. IC 36-7.5-6-4, AS ADDED BY P.L.195-2023, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. (a) The blighted property demolition fund is established to provide grants to the city of Gary to demolish qualified properties.

(b) The fund consists of:

- (1) appropriations from the general assembly;
- (2) available federal funds;
- (3) transfers of money under ~~IC 4-33-13-2.5(b)(1);~~
IC 4-33-13-5(a)(3)(B);
- (4) deposits required under section 5(a) and 5(b) of this chapter; and
- (5) gifts, grants, donations, or other contributions from any other public or private source.

(c) The development authority shall administer the fund.

(d) The treasurer of state shall invest the money in the fund not currently needed to meet the obligations of the fund in the same manner as other public funds may be invested.

(e) The money remaining in the fund at the end of a state fiscal year does not revert to the state general fund.

(f) Money in the fund is continuously appropriated for the purposes of this chapter.

SECTION 168. IC 36-7.5-7-5, AS ADDED BY P.L.195-2023, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. (a) The Lake County economic development and convention fund is established. The fund shall be administered by the development authority.

(b) The convention fund consists of:

- (1) deposits under ~~IC 4-33-13-2.5(b)(2);~~ **IC 4-33-13-5(a)(2)(C)**

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1 **and IC 4-33-13-5(a)(3)(A);**

2 (2) deposits under subsection (c);

3 (3) appropriations to the fund;

4 (4) gifts, grants, loans, bond proceeds, and other money received
5 for deposit in the fund; and

6 (5) other deposits or transfers of funds from local units located in
7 Lake County.

8 (c) If a proposal is approved as provided under this chapter, each
9 state fiscal year, beginning with the first state fiscal year that begins
10 after the proposal is approved, the approved entity shall deposit up to
11 five million dollars (\$5,000,000) in the convention fund. **The**
12 **obligation of the city of Gary, as the approved entity, for each state**
13 **fiscal year under this subsection is satisfied by the distributions**
14 **made by the state comptroller on behalf of the city of Gary under**
15 **IC 4-33-13-5(a)(2)(C). However, if the total amount distributed**
16 **under IC 4-33-13-5(a)(2)(C) on behalf of the city of Gary with**
17 **respect to a particular state fiscal year is less than the amount**
18 **required by this subsection, the fiscal officer of the city of Gary**
19 **shall transfer the amount of the shortfall to the convention fund**
20 **from any source of revenue available to the city of Gary other than**
21 **property taxes. The state comptroller shall certify the amount of**
22 **any shortfall to the fiscal officer of the city of Gary after making**
23 **the distribution required by IC 4-33-13-5(a)(2)(C) on behalf of the**
24 **city of Gary with respect to a particular state fiscal year.**

25 (d) The development authority shall administer money, including
26 determining amounts to be used and the specific purposes, from the
27 convention fund.

28 (e) Except as provided in section 8(d) of this chapter, the money
29 remaining in the convention fund at the end of a state fiscal year does
30 not revert to the state general fund.

31 (f) Money in the convention fund is continuously appropriated for
32 the purposes of this chapter.

33 (g) Subject to budget committee review, but except as provided in
34 subsection (i), the development authority may receive reimbursement
35 for expenses incurred and a reasonable and customary amount for
36 providing administrative services from money in the convention fund.

37 (h) The development authority shall quarterly report to the budget
38 committee on all uses of money in the convention fund and the status
39 of the convention and event center project.

40 (i) The development authority shall conduct an updated feasibility
41 study related to a potential convention and event center located in Lake
42 County. The development authority shall be reimbursed for the costs

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of obtaining the updated feasibility study from money in the fund. Budget committee review is not required for reimbursement under this subsection.

SECTION 169. IC 36-7.5-7-9, AS ADDED BY P.L.195-2023, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 9. (a) If a proposal is approved under section 8 of this chapter, following the approval of the proposal, **and 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**, the Lake County convention center authority is established for the purpose of holding an equal share of ownership of the Lake County convention and event center with the entity whose proposal is approved and for providing general oversight of the upkeep, improvements, and management team as outlined in the accepted proposal. Subject to subsection (e), the convention center authority consists of seven (7) members, appointed as follows:

(1) Three (3) members appointed by the entity whose proposal is approved under section 8 of this chapter.

(2) Three (3) members appointed by the Lake County board of commissioners.

(3) One (1) member appointed by the governor.

Individuals appointed to the convention center authority must **be Indiana residents and** have professional experience in commercial facility management. **An appointing authority may not appoint an attorney in active standing as a member of the authority.**

(b) The term of office for a member of the board is two (2) years. The term begins July 1 of the year in which the member is appointed and ends on June 30 of the second year following the member's appointment. A member may be reappointed after the member's term has expired.

(c) A vacancy in membership must be filled in the same manner as the original appointment. Appointments made to fill a vacancy that occurs before the expiration of a term are for the remainder of the unexpired term.

(d) The member appointed under subsection (a)(3) shall serve as the chairperson of the convention center authority. The convention center authority shall meet at the call of the chairperson.

(e) An individual may not be appointed to the convention center authority if the individual is a party to a contract or agreement with the entity whose proposal is approved, is employed by the entity whose proposal is approved, or otherwise has a direct or indirect financial interest in the entity whose proposal is approved under this chapter.

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SECTION 170. IC 36-7.5-7-10, AS ADDED BY P.L.195-2023, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 10. (a) A local county fund known as the Lake County convention and event center reserve fund is established to pay for:

- (1) additions;
- (2) refurbishment; and
- (3) budget shortfalls or other unusual costs;

of a convention and event center that is constructed using money from the convention fund under this chapter.

(b) The reserve fund consists of:

- (1) transfers under IC 6-9-2-1.5(c); and
- (2) gifts, grants, donations, or other contributions from any other public or private source.

(c) **The Lake County commissioners shall administer the reserve fund until the convention center authority is established. Thereafter,** the convention center authority shall administer the reserve fund.

SECTION 171. IC 36-7.5-8-3, AS ADDED BY P.L.195-2023, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. (a) The Gary Metro Center station revitalization fund is established to provide funding for the Gary Metro Center station revitalization project.

(b) The fund consists of:

- (1) appropriations from the general assembly;
- (2) available federal funds;
- (3) transfers of money under ~~IC 4-33-13-2.5(b)(3);~~ **IC 4-33-13-5(a)(3)(C);**
- (4) deposits required under section 4 of this chapter; and
- (5) gifts, grants, donations, or other contributions from any other public or private source.

(c) The development authority shall administer the fund.

(d) The money remaining in the fund at the end of a state fiscal year does not revert to the state general fund.

(e) Money in the fund is continuously appropriated for the purposes of this chapter.

(f) Subject to budget committee review, the development authority may receive reimbursement for expenses incurred and a reasonable and customary amount for providing administrative services from money in the fund.

SECTION 172. IC 36-8-11-12, AS AMENDED BY P.L.236-2023, SECTION 197, IS AMENDED TO READ AS FOLLOWS

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[EFFECTIVE JULY 1, 2026]: Sec. 12. (a) This section does not apply to the appointment of a governing board under section 12.5 of this chapter.

(b) Within thirty (30) days after the ordinance or resolution establishing the district becomes final, the county legislative body shall appoint a board of fire trustees. The trustees must be qualified by knowledge and experience in matters pertaining to fire protection and related activities in the district. A person who:

(1) is a party to a contract with the district; ~~or~~

(2) is a member, an employee, a director, or a shareholder of any corporation or association that has a contract with the district; **or**

(3) does not reside in the district;

may not be appointed or serve as a trustee. The legislative body shall appoint one (1) trustee from each township or part of a township contained in the district and one (1) trustee from each municipality contained in the district. If the number of trustees selected by this method is an even number, the legislative body shall appoint one (1) additional trustee so that the number of trustees is always an odd number. If the requirements of this section do not provide at least three (3) trustees, the legislative body shall make additional appointments so that there is a minimum of three (3) trustees.

(c) The original trustees shall be appointed as follows:

(1) One (1) for a term of one (1) year.

(2) One (1) for a term of two (2) years.

(3) One (1) for a term of three (3) years.

(4) All others for a term of four (4) years.

The terms expire on the first Monday of January of the year their appointments expire. As the terms expire, each new appointment is for a term of four (4) years.

(d) If a vacancy occurs on the board, the county legislative body shall appoint a trustee with the qualifications specified in subsection (b) for the unexpired term.

(e) On December 31, 2026, 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. The county legislative body shall make new appointments as soon as possible after December 31, 2026, to serve for the remainder of the unexpired term.

SECTION 173. IC 36-8-19-7.5, AS AMENDED BY P.L.68-2025, SECTION 241, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2025 (RETROACTIVE)]: Sec. 7.5. (a) This section applies to:

(1) local income tax distributions; and



(2) excise tax distributions;

made after December 31, 2009.

(b) Except as provided in subsection (c), for purposes of allocating local income tax distributions that are based on a taxing unit's allocation amount before January 1, ~~2028~~, **2029**, or that an adopting body allocates under IC 6-3.6-6 to economic development before January 1, ~~2028~~, **2029**, or excise tax distributions that are distributed based on the amount of a taxing unit's property tax levies, each participating unit in a territory is considered to have imposed a part of the property tax levy imposed for the territory. The part of the property tax levy imposed for the territory for a particular year that shall be attributed to a participating unit is equal to the amount determined in the following STEPS:

STEP ONE: Determine the total amount of all property taxes imposed by the participating unit in the year before the year in which a property tax levy was first imposed for the territory.

STEP TWO: Determine the sum of the STEP ONE amounts for all participating units.

STEP THREE: Divide the STEP ONE result by the STEP TWO result.

STEP FOUR: Multiply the STEP THREE result by the property tax levy imposed for the territory for the particular year.

(c) This subsection applies to a determination under subsection (b) made in calendar years 2018, 2019, and 2020. The department of local government finance may, for distributions made in calendar year 2022, adjust the allocation amount determined under subsection (b) to correct for any clerical or mathematical errors made in any determination for calendar year 2018, 2019, or 2020, as applicable, including the allocation amount for any taxing unit whose distribution was affected by the clerical or mathematical error in those years. The department of local government finance may apply the adjustment to the allocation amount for a taxing unit over a period not to exceed ten (10) years in order to offset the effect of the adjustment on the distribution.

(d) This subsection applies to a territory established by an ordinance or a resolution adopted under this chapter after December 31, 2024. Before additional revenue from a local income tax rate may be allocated to the provider unit of a new territory due to an increased property tax levy resulting from the establishment of the territory, the county fiscal body must adopt an ordinance or resolution approving the allocation.

SECTION 174. IC 36-8-19-8.5, AS AMENDED BY P.L.255-2017, SECTION 47, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE

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JULY 1, 2026]: Sec. 8.5. (a) Participating units may agree to establish an equipment replacement fund under this section to be used to purchase fire protection equipment, including housing, that will be used to serve the entire territory. To establish the fund, the legislative bodies of each participating unit must adopt an ordinance (in the case of a county or municipality) or a resolution (in the case of a township or fire protection district), and the following requirements must be met:

(1) The ordinance or resolution is identical to the ordinances and resolutions adopted by the other participating units under this section.

(2) Before adopting the ordinance or resolution, each participating unit must comply with the notice and hearing requirements of IC 6-1.1-41-3.

(3) The ordinance or resolution authorizes the provider unit to establish the fund.

(4) The ordinance or resolution includes at least the following:

(A) The name of each participating unit and the provider unit.

(B) An agreement to impose a uniform tax rate upon all of the taxable property within the territory for the equipment replacement fund.

(C) The contents of the agreement to establish the fund.

An ordinance or a resolution adopted under this section takes effect as provided in IC 6-1.1-41.

(b) If a fund is established, the participating units may agree to:

(1) impose a property tax to provide for the accumulation of money in the fund to purchase fire protection equipment;

(2) incur debt to purchase fire protection equipment and impose a property tax to retire the loan; or

(3) transfer an amount from the fire protection territory fund to the fire equipment replacement fund not to exceed five percent

(5%) of the levy for the fire protection territory fund for that year;

or any combination of these options.

(c) The property tax rate for the levy imposed under this section is **considered part of the maximum permissible ad valorem property tax levy** and may not exceed three and thirty-three hundredths cents (\$0.0333) per one hundred dollars (\$100) of assessed value. Before debt may be incurred, the fiscal body of a participating unit must adopt an ordinance (in the case of a county or municipality) or a resolution (in the case of a township or fire protection district) that specifies the amount and purpose of the debt. The ordinance or resolution must be identical to the other ordinances and resolutions adopted by the participating units. Except as provided in subsection (d), if debt is to be

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1 incurred for the purposes of a fund, the provider unit shall negotiate for
 2 and hold the debt on behalf of the territory. However, the participating
 3 units and the provider unit of the territory are jointly liable for any debt
 4 incurred by the provider unit for the purposes of the fund. The most
 5 recent adjusted value of taxable property for the entire territory must be
 6 used to determine the debt limit under IC 36-1-15-6. A provider unit
 7 shall comply with all general statutes and rules relating to the
 8 incurrence of debt under this subsection.

9 (d) A participating unit of a territory may, to the extent allowed by
 10 law, incur debt in the participating unit's own name to acquire fire
 11 protection equipment or other property that is to be owned by the
 12 participating unit. A participating unit that acquires fire protection
 13 equipment or other property under this subsection may afterward enter
 14 into an interlocal agreement under IC 36-1-7 with the provider unit to
 15 furnish the fire protection equipment or other property to the provider
 16 unit for the provider unit's use or benefit in accomplishing the purposes
 17 of the territory. A participating unit shall comply with all general
 18 statutes and rules relating to the incurrence of debt under this
 19 subsection.

20 (e) Money in the fund may be used by the provider unit only for
 21 those purposes set forth in the agreement among the participating units
 22 that permits the establishment of the fund.

23 (f) The requirements and procedures specified in IC 6-1.1-41
 24 concerning the establishment or reestablishment of a cumulative fund,
 25 the imposing of a property tax for a cumulative fund, and the increasing
 26 of a property tax rate for a cumulative fund apply to:

- 27 (1) the establishment or reestablishment of a fund under this
- 28 section;
- 29 (2) the imposing of a property tax for a fund under this section;
- 30 and
- 31 (3) the increasing of a property tax rate for a fund under this
- 32 section.

33 (g) Notwithstanding IC 6-1.1-18-12, if a fund established under this
 34 section is reestablished in the manner provided in IC 6-1.1-41, the
 35 property tax rate imposed for the fund in the first year after the fund is
 36 reestablished may not exceed three and thirty-three hundredths cents
 37 (\$0.0333) per one hundred dollars (\$100) of assessed value.

38 SECTION 175. IC 36-9-37-14 IS AMENDED TO READ AS
 39 FOLLOWS [EFFECTIVE JANUARY 1, 2026 (RETROACTIVE)]:
 40 Sec. 14. (a) **With respect to** a property owner who has secured the
 41 right to pay the property owner's assessments in deferred installments
 42 by the filing of a waiver, ~~may~~, **the municipal works board shall**

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1 **establish a policy to permit an owner of real property in the**
 2 **municipality to prepay the property owner's assessment in full by**
 3 **either of the following methods:**

4 **(1) At any time after the expiration of the first year after the filing,**
 5 **pay the entire balance of the assessment and be relieved of the**
 6 **lien on the property owner's property. A property owner may not**
 7 **pay the property owner's entire balance under this subsection**
 8 **unless at the same time the property owner pays all interest due**
 9 **at the next interest paying period.**

10 **(2) At any time, including within the year of the filing, pay the**
 11 **entire balance of the assessment and be relieved of the lien on**
 12 **the property owner's property. A property owner may not**
 13 **pay the property owner's entire balance under this subsection**
 14 **unless at the same time the property owner pays all interest**
 15 **due at the next interest paying period.**

16 (b) If a person who exercises the right to prepay the person's
 17 assessment fully pays the assessment and interest, all interest and
 18 liability as to the assessed property ceases.

19 **SECTION 176. [EFFECTIVE JANUARY 1, 2024**
 20 **(RETROACTIVE)] (a) This SECTION applies notwithstanding**
 21 **IC 6-1.1-10, IC 6-1.1-11, or any other law or administrative rule or**
 22 **provision.**

23 **(b) This SECTION applies to assessment dates after December**
 24 **31, 2023, and before January 1, 2026.**

25 **(c) As used in this SECTION, "eligible property" means any**
 26 **real property:**

27 **(1) that is owned, occupied, and used by a taxpayer that:**

28 **(A) is exempt from federal income taxation under Section**
 29 **501(c)(3) of the Internal Revenue Code; and**

30 **(B) has a mission focused on preserving Indiana**
 31 **landmarks;**

32 **(2) that is used for one (1) or more of the purposes described**
 33 **in IC 6-1.1-10-16;**

34 **(3) that is a parcel that:**

35 **(A) was transferred to the taxpayer before January 1,**
 36 **2024; and**

37 **(B) is located in Vanderburgh County;**

38 **(4) on which property taxes were imposed for the 2024 and**
 39 **2025 assessment dates; and**

40 **(5) that would have been eligible for an exemption under**
 41 **IC 6-1.1-10-16 for the 2024 and 2025 assessment dates if an**
 42 **exemption application had been properly and timely filed**



under IC 6-1.1 for the property.

(d) Before September 1, 2026, the owner of eligible property may file a property tax exemption application and supporting documents claiming a property tax exemption under this SECTION for the eligible property for the 2024 and 2025 assessment dates.

(e) A property tax exemption application filed as provided in subsection (d) is considered to have been properly and timely filed for each assessment date.

(f) The following apply if the owner of eligible property files a property tax exemption application as provided in subsection (d):

(1) The property tax exemption for the eligible property shall be allowed and granted for the applicable assessment date by the county assessor and county auditor of the county in which the eligible property is located.

(2) The owner of the eligible property is not required to pay any property taxes, penalties, or interest with respect to the eligible property for the applicable assessment date.

(g) The exemption allowed by this SECTION shall be applied without the need for any further ruling or action by the county assessor, the county auditor, or the county property tax assessment board of appeals of the county in which the eligible property is located or by the Indiana board of tax review.

(h) To the extent the owner of the eligible property has paid any property taxes, penalties, or interest with respect to the eligible property for an applicable date and to the extent that the eligible property is exempt from taxation as provided in this SECTION, the owner of the eligible property is entitled to a refund of the amounts paid. The owner is not entitled to any interest on the refund under IC 6-1.1 or any other law to the extent interest has not been paid by or on behalf of the owner. Notwithstanding the filing deadlines for a claim under IC 6-1.1-26, any claim for a refund filed by the owner of eligible property under this SECTION before September 1, 2026, is considered timely filed. The county auditor shall pay the refund due under this SECTION in one (1) installment.

(i) This SECTION expires June 30, 2027.

SECTION 177. [EFFECTIVE JANUARY 1, 2026 (RETROACTIVE)] (a) IC 6-1.1-10.2, as added by this act, applies to assessment dates occurring after December 31, 2025, for property taxes first due and payable in 2027.

(b) This SECTION expires July 1, 2030.

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SECTION 178. [EFFECTIVE JANUARY 1, 2026 (RETROACTIVE)] (a) The amendments made by this act to:

- (1) IC 6-1.1-12.6-2;
- (2) IC 6-1.1-12.6-4;
- (3) IC 6-1.1-12.6-8;
- (4) IC 6-1.1-12.8-3;
- (5) IC 6-1.1-12.8-4;
- (6) IC 6-1.1-12.8-9; and
- (7) IC 6-1.1-12.8-10;

apply to assessment dates occurring after December 31, 2025.

(b) This SECTION expires January 1, 2028.

SECTION 179. [EFFECTIVE UPON PASSAGE] (a) IC 6-3.6-6-3 was amended by P.L.137-2024, SECTION 9, effective July 1, 2024, until July 1, 2027, and by P.L.68-2025, SECTION 124, effective July 1, 2027, and the effective date of the amendment made by P.L.68-2025, SECTION 124 is delayed by this act until July 1, 2028. The general assembly recognizes that this act amends, effective July 1, 2026, the version of IC 6-3.6-6-3 amended by P.L.137-2024, SECTION 9. The general assembly intends for the version of IC 6-3.6-6-3:

- (1) as amended effective July 1, 2026, to expire July 1, 2028; and
- (2) as amended by P.L.68-2025, SECTION 124, to take effect July 1, 2028.

(b) This SECTION expires December 31, 2028.

SECTION 180. [EFFECTIVE JANUARY 1, 2026 (RETROACTIVE)] (a) IC 6-3.1-38-4 and IC 6-3.1-38-7, both as amended by this act, and IC 6-3.1-38-4.5, as added by this act, apply to taxable years beginning after December 31, 2025.

(b) This SECTION expires January 1, 2028.

SECTION 181. [EFFECTIVE JANUARY 1, 2026 (RETROACTIVE)] (a) IC 6-1.1-51.3-5 and IC 6-1.1-51.3-6, both as added by this act, apply to property taxes imposed for assessment dates after December 31, 2025.

(b) This SECTION expires January 1, 2028.

SECTION 182. [EFFECTIVE JANUARY 1, 2026 (RETROACTIVE)] (a) IC 6-1.1-12-14, as amended by this act, applies to property taxes for assessment dates after December 31, 2025.

(b) This SECTION expires January 1, 2028.

SECTION 183. [EFFECTIVE UPON PASSAGE] (a) Notwithstanding the effective date of the following sections

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1 amended by P.L.68-2025 (SEA 1-2025), the effective date for these
2 sections is July 1, 2028, and not July 1, 2027:

3 (1) IC 5-1-14-14, as amended by P.L.68-2025 (SEA 1-2025),
4 SECTION 2.

5 (2) IC 5-16-9-3, as amended by P.L.68-2025 (SEA 1-2025),
6 SECTION 4.

7 (3) IC 6-1.1-10.3-3, as amended by P.L.68-2025 (SEA 1-2025),
8 SECTION 16 and as amended by this act.

9 (4) IC 6-1.1-10.3-5, as amended by P.L.68-2025 (SEA 1-2025),
10 SECTION 17.

11 (5) IC 6-1.1-10.3-7, as amended by P.L.68-2025 (SEA 1-2025),
12 SECTION 18.

13 (6) IC 6-3-2-27.5, as amended by P.L.68-2025 (SEA 1-2025),
14 SECTION 86.

15 (7) IC 6-3.5-4-1, as amended by P.L.68-2025 (SEA 1-2025),
16 SECTION 87.

17 (8) IC 6-3.5-4-1.1, as amended by P.L.68-2025 (SEA 1-2025),
18 SECTION 88.

19 (9) IC 6-3.5-5-1, as amended by P.L.68-2025 (SEA 1-2025),
20 SECTION 89.

21 (10) IC 6-3.5-5-1.1, as amended by P.L.68-2025 (SEA 1-2025),
22 SECTION 90.

23 (11) IC 6-3.6-1-1, as amended by P.L.68-2025 (SEA 1-2025),
24 SECTION 91.

25 (12) IC 6-3.6-1-1.5, as amended by P.L.68-2025 (SEA 1-2025),
26 SECTION 92 and as amended by this act.

27 (13) IC 6-3.6-1-3, as amended by P.L.68-2025 (SEA 1-2025),
28 SECTION 93 and as amended by this act.

29 (14) IC 6-3.6-1-4, as amended by P.L.68-2025 (SEA 1-2025),
30 SECTION 94.

31 (15) IC 6-3.6-2-5, as amended by P.L.68-2025 (SEA 1-2025),
32 SECTION 97.

33 (16) IC 6-3.6-3-1, as amended by P.L.68-2025 (SEA 1-2025),
34 SECTION 102.

35 (17) IC 6-3.6-3-3, as amended by P.L.68-2025 (SEA 1-2025),
36 SECTION 103 and as amended by this act.

37 (18) IC 6-3.6-3-4, as amended by P.L.68-2025 (SEA 1-2025),
38 SECTION 105 and as amended by this act.

39 (19) IC 6-3.6-3-5, as amended by P.L.68-2025 (SEA 1-2025),
40 SECTION 106 and as amended by this act.

41 (20) IC 6-3.6-6-2, as amended by P.L.68-2025 (SEA 1-2025),
42 SECTION 118 and as amended by this act.

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- 1 (21) IC 6-3.6-6-3, as amended by P.L.68-2025 (SEA 1-2025),
2 SECTION 124.
- 3 (22) IC 6-3.6-6-4, as amended by P.L.68-2025 (SEA 1-2025),
4 SECTION 126 and as amended by this act.
- 5 (23) IC 6-3.6-6-8, as amended by P.L.68-2025 (SEA 1-2025),
6 SECTION 130.
- 7 (24) IC 6-3.6-6-8.5, as amended by P.L.68-2025 (SEA 1-2025),
8 SECTION 131.
- 9 (25) IC 6-3.6-6-9.5, as amended by P.L.68-2025 (SEA 1-2025),
10 SECTION 133.
- 11 (26) IC 6-3.6-6-17, as amended by P.L.68-2025 (SEA 1-2025),
12 SECTION 140.
- 13 (27) IC 6-3.6-6-18, as amended by P.L.68-2025 (SEA 1-2025),
14 SECTION 141.
- 15 (28) IC 6-3.6-6-19, as amended by P.L.68-2025 (SEA 1-2025),
16 SECTION 142.
- 17 (29) IC 6-3.6-6-21, as amended by P.L.68-2025 (SEA 1-2025),
18 SECTION 144.
- 19 (30) IC 6-3.6-6-21.3, as amended by P.L.68-2025 (SEA
20 1-2025), SECTION 146 and as amended by this act.
- 21 (31) IC 6-3.6-7-9, as amended by P.L.68-2025 (SEA 1-2025),
22 SECTION 149 and as amended by this act.
- 23 (32) IC 6-3.6-7-28, as amended by P.L.68-2025 (SEA 1-2025),
24 SECTION 150.
- 25 (33) IC 6-3.6-8-4, as amended by P.L.68-2025 (SEA 1-2025),
26 SECTION 152.
- 27 (34) IC 6-3.6-9-1, as amended by P.L.68-2025 (SEA 1-2025),
28 SECTION 154 and as amended by this act.
- 29 (35) IC 6-3.6-9-4, as amended by P.L.68-2025 (SEA 1-2025),
30 SECTION 156.
- 31 (36) IC 6-3.6-9-4.1, as amended by P.L.68-2025 (SEA 1-2025),
32 SECTION 157.
- 33 (37) IC 6-3.6-9-5, as amended by P.L.68-2025 (SEA 1-2025),
34 SECTION 158 and as amended by this act.
- 35 (38) IC 6-3.6-9-6, as amended by P.L.68-2025 (SEA 1-2025),
36 SECTION 159.
- 37 (39) IC 6-3.6-9-7, as amended by P.L.68-2025 (SEA 1-2025),
38 SECTION 160.
- 39 (40) IC 6-3.6-9-9, as amended by P.L.68-2025 (SEA 1-2025),
40 SECTION 163.
- 41 (41) IC 6-3.6-9-10, as amended by P.L.68-2025 (SEA 1-2025),
42 SECTION 164 and as amended by this act.

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(42) IC 6-3.6-9-11, as amended by P.L.68-2025 (SEA 1-2025),
SECTION 165.

(43) IC 6-3.6-9-12, as amended by P.L.68-2025 (SEA 1-2025),
SECTION 166 and as amended by this act.

(44) IC 6-3.6-9-13, as amended by P.L.68-2025 (SEA 1-2025),
SECTION 167 and as amended by this act.

(45) IC 6-3.6-9-16, as amended by P.L.68-2025 (SEA 1-2025),
SECTION 170.

(46) IC 6-3.6-11-3, as amended by P.L.68-2025 (SEA 1-2025),
SECTION 180 and as amended by this act.

(47) IC 6-9-10.5-8, as amended by P.L.68-2025 (SEA 1-2025),
SECTION 190.

(48) IC 8-18-22-6, as amended by P.L.68-2025 (SEA 1-2025),
SECTION 195.

(49) IC 8-22-3.5-9, as amended by P.L.68-2025 (SEA 1-2025),
SECTION 196.

(50) IC 12-20-25-34, as amended by P.L.68-2025 (SEA
1-2025), SECTION 197.

(51) IC 12-20-25-35, as amended by P.L.68-2025 (SEA
1-2025), SECTION 198.

(52) IC 36-7-14-39, as amended by P.L.68-2025 (SEA 1-2025),
SECTION 234.

(53) IC 36-7-15.1-26, as amended by P.L.68-2025 (SEA
1-2025), SECTION 235 and as amended by this act.

(54) IC 36-7-15.1-53, as amended by P.L.68-2025 (SEA
1-2025), SECTION 236 and as amended by this act.

(55) IC 36-7-30-25, as amended by P.L.68-2025 (SEA 1-2025),
SECTION 237 and as amended by this act.

(56) IC 36-7-30.5-30, as amended by P.L.68-2025 (SEA
1-2025), SECTION 238 and as amended by this act.

(57) IC 36-7.5-4-2.5, as amended by P.L.68-2025 (SEA
1-2025), SECTION 239.

(58) IC 36-8-19-8, as amended by P.L.68-2025 (SEA 1-2025),
SECTION 242.

(b) Notwithstanding the effective date of the following sections
amended by P.L.68-2025 (SEA 1-2025), the effective date for these
sections is January 1, 2029, and not January 1, 2028:

(1) IC 6-1.1-18.5-3, as amended by P.L.68-2025 (SEA 1-2025),
SECTION 60.

(2) IC 6-3.6-2-2, as amended by P.L.68-2025 (SEA 1-2025),
SECTION 95 and as amended by this act.

(3) IC 6-3.6-2-13, as amended by P.L.68-2025 (SEA 1-2025),



SECTION 100 and as amended by this act.

(4) IC 6-3.6-2-15, as amended by P.L.68-2025 (SEA 1-2025),

SECTION 101 and as amended by this act.

(5) IC 6-3.6-4-1, as amended by P.L.68-2025 (SEA 1-2025),

SECTION 113.

(6) IC 6-3.6-4-2, as amended by P.L.68-2025 (SEA 1-2025),

SECTION 114.

(7) IC 6-3.6-4-3, as amended by P.L.68-2025 (SEA 1-2025),

SECTION 115.

(8) IC 6-3.6-8-3, as amended by P.L.68-2025 (SEA 1-2025),

SECTION 151 and as amended by this act.

(9) IC 6-3.6-8-5, as amended by P.L.68-2025 (SEA 1-2025),

SECTION 153.

(10) IC 6-3.6-10-2, as amended by P.L.68-2025 (SEA 1-2025),

SECTION 174.

(11) IC 6-3.6-10-3, as amended by P.L.68-2025 (SEA 1-2025),

SECTION 175.

(12) IC 6-3.6-10-5, as amended by P.L.68-2025 (SEA 1-2025),

SECTION 176.

(13) IC 6-3.6-10-6, as amended by P.L.68-2025 (SEA 1-2025),

SECTION 177.

(14) IC 6-3.6-11-4, as amended by P.L.68-2025 (SEA 1-2025),

SECTION 181.

(15) IC 6-3.6-11-5.5, as amended by P.L.68-2025 (SEA

1-2025), SECTION 182.

(16) IC 6-3.6-11-6, as amended by P.L.68-2025 (SEA 1-2025),

SECTION 183.

(17) IC 6-3.6-11-7, as amended by P.L.68-2025 (SEA 1-2025),

SECTION 184.

(18) IC 6-3.6-11-7.5, as amended by P.L.68-2025 (SEA

1-2025), SECTION 185.

(c) Notwithstanding the effective date of the following sections added by P.L.68-2025 (SEA 1-2025), the effective date for these sections is July 1, 2028, and not July 1, 2027:

(1) IC 6-3.6-3-3.3, as added by P.L.68-2025 (SEA 1-2025), SECTION 104.

(2) IC 6-3.6-5-7, as added by P.L.68-2025 (SEA 1-2025), SECTION 116.

(3) IC 6-3.6-6-0.5, as added by P.L.68-2025 (SEA 1-2025), SECTION 117.

(4) IC 6-3.6-6-4.3, as added by P.L.68-2025 (SEA 1-2025), SECTION 127 and as amended by this act.



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(5) IC 6-3.6-6-4.5, as added by P.L.68-2025 (SEA 1-2025),
SECTION 128 and as amended by this act.

(6) IC 6-3.6-6-6.1, as added by P.L.68-2025 (SEA 1-2025),
SECTION 129 and as amended by this act.

(7) IC 6-3.6-6-22, as added by P.L.68-2025 (SEA 1-2025),
SECTION 147 and as amended by this act.

(8) IC 6-3.6-6-23, as added by P.L.68-2025 (SEA 1-2025),
SECTION 148 and as amended by this act.

(9) IC 6-3.6-9-1.1, as added by P.L.68-2025 (SEA 1-2025),
SECTION 155.

(10) IC 6-3.6-9-17.5, as added by P.L.68-2025 (SEA 1-2025),
SECTION 171 and as amended by this act.

(11) IC 6-3.6-9-20, as added by P.L.68-2025 (SEA 1-2025),
SECTION 172.

(12) IC 6-3.6-9-21, as added by P.L.68-2025 (SEA 1-2025),
SECTION 173 and as amended by this act.

(d) Notwithstanding the effective date of the following sections
repealed by P.L.68-2025 (SEA 1-2025), the effective date for these
sections is July 1, 2028, and not July 1, 2027:

(1) IC 6-1.1-10.3-2, as repealed by P.L.68-2025 (SEA 1-2025),
SECTION 15.

(2) IC 6-3.6-2-4, as repealed by P.L.68-2025 (SEA 1-2025),
SECTION 96.

(3) IC 6-3.6-2-12, as repealed by P.L.68-2025 (SEA 1-2025),
SECTION 99.

(4) IC 6-3.6-3-6, as repealed by P.L.68-2025 (SEA 1-2025),
SECTION 107.

(5) IC 6-3.6-3-7, as repealed by P.L.68-2025 (SEA 1-2025),
SECTION 108.

(6) IC 6-3.6-3-8, as repealed by P.L.68-2025 (SEA 1-2025),
SECTION 109.

(7) IC 6-3.6-3-9, as repealed by P.L.68-2025 (SEA 1-2025),
SECTION 110.

(8) IC 6-3.6-3-10, as repealed by P.L.68-2025 (SEA 1-2025),
SECTION 112.

(9) IC 6-3.6-6-9, as repealed by P.L.68-2025 (SEA 1-2025),
SECTION 132.

(10) IC 6-3.6-6-10, as repealed by P.L.68-2025 (SEA 1-2025),
SECTION 134.

(11) IC 6-3.6-6-11, as repealed by P.L.68-2025 (SEA 1-2025),
SECTION 135.

(12) IC 6-3.6-6-12, as repealed by P.L.68-2025 (SEA 1-2025),



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1 **SECTION 136.**

2 **(13) IC 6-3.6-6-14, as repealed by P.L.68-2025 (SEA 1-2025),**
 3 **SECTION 137.**

4 **(14) IC 6-3.6-6-15, as repealed by P.L.68-2025 (SEA 1-2025),**
 5 **SECTION 138.**

6 **(15) IC 6-3.6-6-16, as repealed by P.L.68-2025 (SEA 1-2025),**
 7 **SECTION 139.**

8 **(16) IC 6-3.6-6-20, as repealed by P.L.68-2025 (SEA 1-2025),**
 9 **SECTION 143.**

10 **(17) IC 6-3.6-6-21.2, as repealed by P.L.68-2025 (SEA 1-2025),**
 11 **SECTION 145.**

12 **(18) IC 6-3.6-9-8, as repealed by P.L.68-2025 (SEA 1-2025),**
 13 **SECTION 161.**

14 **(19) IC 6-3.6-9-8.5, as repealed by P.L.68-2025 (SEA 1-2025),**
 15 **SECTION 162.**

16 **(20) IC 6-3.6-9-14, as repealed by P.L.68-2025 (SEA 1-2025),**
 17 **SECTION 168.**

18 **(e) Notwithstanding the effective date of the following sections**
 19 **repealed by P.L.68-2025 (SEA 1-2025), the effective date for these**
 20 **sections is January 1, 2029, and not January 1, 2028:**

21 **(1) IC 6-3.6-6-2.5, as repealed by P.L.68-2025 (SEA 1-2025),**
 22 **SECTION 119.**

23 **(2) IC 6-3.6-6-2.6, as repealed by P.L.68-2025 (SEA 1-2025),**
 24 **SECTION 120.**

25 **(3) IC 6-3.6-6-2.7, as repealed by P.L.68-2025 (SEA 1-2025),**
 26 **SECTION 121.**

27 **(4) IC 6-3.6-6-2.8, as repealed by P.L.68-2025 (SEA 1-2025),**
 28 **SECTION 122.**

29 **(5) IC 6-3.6-6-2.9, as repealed by P.L.68-2025 (SEA 1-2025),**
 30 **SECTION 123.**

31 **(6) IC 6-3.6-9-15, as repealed by P.L.68-2025 (SEA 1-2025),**
 32 **SECTION 169.**

33 **(7) IC 6-3.6-11-1, as repealed by P.L.68-2025 (SEA 1-2025),**
 34 **SECTION 179.**

35 **(f) The revisor of statutes shall print the Indiana Code to**
 36 **incorporate the effective date changes to the sections of**
 37 **P.L.68-2025 (SEA 1-2025) as provided in this SECTION and as**
 38 **amended by this act.**

39 SECTION 184. P.L.68-2025, SECTION 246, IS REPEALED
 40 [EFFECTIVE UPON PASSAGE]. SECTION 246. [EFFECTIVE JUNE
 41 30, 2027]. (a) Notwithstanding the July 1, 2027, effective date for
 42 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

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as added by this act; the July 1, 2027, effective date for IC 6-3.6-6-2, 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, 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 amended by this act; and the July 1, 2027, or January 1, 2028, repeal 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, 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, 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 IC 6-3.6-6-20; all as repealed by this act; the method used to determine the amount of a particular distribution of revenue before July 1, 2027, shall continue to be used for these determinations for all of 2027.

(b) Notwithstanding the adoption of different tax rates by a county applicable after 2027 or the adoption of municipal tax rates under IC 6-3.6-6-22, as added by this act, applicable after 2027, or any other provision of law, the certified distribution methodology calculation for local income tax distributions made in 2027 shall continue for local income tax distributions made in 2028 and 2029 to account for the transition to any new tax rates.

(c) This SECTION expires June 30, 2030.

SECTION 185. [EFFECTIVE JUNE 30, 2028] (a) Notwithstanding the effective date for:

(1) the amendment of sections in IC 6-3.6-6 by this act or by P.L.68-2025;

(2) the addition of sections in IC 6-3.6-6 by this act or by P.L.68-2025; or

(3) the repeal of sections in IC 6-3.6-6 by this act or by P.L.68-2025;

the method used to determine the amount of a particular distribution of revenue before July 1, 2028, shall continue to be used for these determinations for all of 2028.

(b) Notwithstanding the adoption of different tax rates by a county applicable after 2028 or the adoption of municipal tax rates under IC 6-3.6-6-22, applicable after 2028, or any other provision of law, the certified distribution methodology calculation for local income tax distributions made in 2028 shall continue for local income tax distributions made in 2029 and 2030 to account for the transition to any new tax rates.

(c) This SECTION expires June 30, 2031.

SECTION 186. [EFFECTIVE JANUARY 1, 2024 (RETROACTIVE)] (a) This SECTION applies notwithstanding IC 6-1.1-10, IC 6-1.1-11, or any other law or administrative rule or provision.

(b) This SECTION applies to an assessment date occurring after



December 31, 2023, and before January 1, 2026.

(c) As used in this SECTION, "eligible property" means real property:

(1) on which property taxes were imposed for the 2024 and 2025 assessment dates; and

(2) that is identified as follows:

(A) Parcel 1017913 located at 2237 Station Street, Indianapolis, IN, 46218.

(B) Parcel 1022147 located at 2225 North Sherman Avenue, Indianapolis, IN, 46218.

(C) Parcel 1057962 located at 2202 North Sherman Avenue, Indianapolis, IN, 46218.

(D) Parcel 1021121 located at 2182 North Olney Street, Indianapolis, IN, 46218.

(E) Parcel 1003672 located at 3429 Massachusetts Avenue, Indianapolis, IN, 46218.

(F) Parcel 1011976 located at 2178 North Olney Street, Indianapolis, IN, 46218.

(d) As used in this SECTION, "qualified taxpayer" refers to a nonprofit organization that owns eligible property as described under subsection (c).

(e) A qualified taxpayer may, before September 1, 2026, file a property tax exemption application and supporting documents claiming a property tax exemption under IC 6-1.1-10-16 for any assessment date described in subsection (b).

(f) A property tax exemption application filed under subsection (e) by a qualified taxpayer is considered to have been properly and timely filed.

(g) If a qualified taxpayer files the property tax exemption applications under subsection (e), the following apply:

(1) The property tax exemption for the eligible property is allowed and granted for the 2024 and 2025 assessment dates by the county assessor and county auditor of the county in which the eligible property is located.

(2) The qualified taxpayer is not required to pay any property taxes, penalties, interest, or tax sale reimbursement expenses with respect to the eligible property exempted under this SECTION for the 2024 and 2025 assessment dates.

(3) If the eligible property was placed on the list certified under IC 6-1.1-24-1 or IC 6-1.1-24-1.5 or was otherwise subject to a tax sale under IC 6-1.1-24 and IC 6-1.1-25 because one (1) or more installments of property taxes due for



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the eligible property for the 2024 or 2025 assessment dates were not timely paid:

(A) the county auditor shall remove the eligible property from the list certified under IC 6-1.1-24-1 or IC 6-1.1-24-1.5; and

(B) a tax deed may not be issued under IC 6-1.1-25 for the eligible property for any tax sale of the eligible property under IC 6-1.1-24 and IC 6-1.1-25 that was held because one (1) or more installments of property taxes due for the eligible property for the 2024 or 2025 assessment dates were not timely paid.

(h) A taxpayer is entitled to the exemption from real property tax as claimed on a property tax exemption application filed under this SECTION, regardless of whether:

(1) a property tax exemption application was previously filed for the same or similar property for the assessment date;

(2) the county property tax assessment board of appeals has issued a final determination regarding any previously filed property tax exemption application for the assessment date;

(3) the taxpayer appealed any denial of a previously filed property tax exemption application for the assessment date; or

(4) the records of the county in which the property subject to the property tax exemption application is located identified the taxpayer as the owner of the property on the assessment date described in subsection (b) for which the property tax exemption is claimed.

(i) The exemption allowed by this SECTION shall be applied and considered approved without the need for any further ruling or action by the county assessor, the county auditor, or the county property tax assessment board of appeals of the county in which the eligible property is located or by the Indiana board of tax review. The exemption approval is final and may not be appealed by the county assessor, the county property tax assessment board of appeals, or any member of the county property tax assessment board of appeals.

(j) To the extent the qualified taxpayer has paid any property taxes, penalties, or interest with respect to the eligible property for the 2024 or 2025 assessment dates, the eligible taxpayer is entitled to a refund of the amounts paid. Notwithstanding the filing deadlines for a claim in IC 6-1.1-26, any claim for a refund filed by an eligible taxpayer under this subsection before September 1,



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1 **2026, is considered timely filed. The county auditor shall pay the**
 2 **refund due under this SECTION in one (1) installment.**
 3 **(k) This SECTION expires July 1, 2027.**
 4 **SECTION 187. An emergency is declared for this act.**

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