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# HOUSE BILL No. 1210

AM121078 has been incorporated into January 30, 2026 printing.

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**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.

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## HOUSE BILL No. 1210

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

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

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

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

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

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

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

15 (1) The lesser of:

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

17 or

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

24 (2) The lesser of:

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

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

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

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

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

42 must be paid to the city of East Chicago.

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- 1 (4) Except as provided in section 9(k) of this chapter, the  
 2 remainder, if any, of:  
 3 (A) thirty-three and one-third percent (33 1/3%) of the  
 4 admissions tax and supplemental wagering tax collected by  
 5 the licensed owner during the preceding calendar quarter;  
 6 minus  
 7 (B) the amount distributed to the northwest Indiana regional  
 8 development authority under subdivision (2) for the  
 9 calendar quarter;  
 10 must be paid to Lake County.
- 11 (5) Except as provided in section 9(k) of this chapter, three  
 12 percent (3%) of the admissions tax and supplemental wagering  
 13 tax collected by the licensed owner during the preceding  
 14 calendar quarter must be paid to the county convention and  
 15 visitors bureau for Lake County.
- 16 (6) Except as provided in section 9(k) of this chapter, three  
 17 hundred thirty-three thousandths percent (.333%) of the  
 18 admissions tax and supplemental wagering tax collected by the  
 19 licensed owner during the preceding calendar quarter must be  
 20 paid to the northern Indiana law enforcement training center.
- 21 (7) Except as provided in section 9(k) of this chapter, five  
 22 percent (5%) of the admissions tax and supplemental wagering  
 23 tax collected by the licensed owner during the preceding  
 24 calendar quarter must be paid to the state fair commission for  
 25 use in any activity that the commission is authorized to carry out  
 26 under IC 15-13-3.
- 27 (8) Except as provided in section 9(k) of this chapter, three and  
 28 thirty-three hundredths percent (3.33%) of the admissions tax  
 29 and supplemental wagering tax collected by the licensed owner  
 30 during the preceding calendar quarter must be paid to the  
 31 division of mental health and addiction.
- 32 (9) Twenty-one and six hundred sixty-seven thousandths percent  
 33 (21.667%) of the admissions tax and supplemental wagering tax  
 34 collected by the licensed owner during the preceding calendar  
 35 quarter must be paid to the state general fund.
- 36 (c) Except as provided by IC 6-3.1-20-7, the treasurer of state shall  
 37 quarterly pay the following amounts from the taxes collected during the  
 38 preceding calendar quarter from ~~each~~ the riverboat operating in Gary:  
 39 (1) The lesser of:  
 40 (A) ~~four hundred thirty-seven thousand five hundred dollars~~  
 41 ~~(\$437,500);~~ **eight hundred seventy-five thousand dollars**  
 42 **(\$875,000);** or

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

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

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

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

18 (9) Twenty-one and six hundred sixty-seven thousandths percent  
 19 (21.667%) of the admissions tax and supplemental wagering tax  
 20 collected by the licensed owner of a riverboat operating in Gary  
 21 during the preceding calendar quarter must be paid to the state  
 22 general fund.

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

26 (1) The lesser of:

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

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

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

36 (2) The lesser of:

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

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

42 to the fiscal officer of the northwest Indiana regional

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- 1 development authority to partially satisfy Lake County's funding  
 2 obligation to the authority under IC 36-7.5-4-2.
- 3 (3) Except as provided in section 9(k) of this chapter, the  
 4 remainder, if any, of:
- 5 (A) thirty-three and one-third percent (33 1/3%) of the  
 6 admissions tax and supplemental wagering tax collected by  
 7 the licensed owner of the riverboat during the preceding  
 8 calendar quarter; minus
- 9 (B) the amount distributed to the northwest Indiana regional  
 10 development authority under subdivision (1) for the  
 11 calendar quarter;  
 12 must be paid to the city of Hammond.
- 13 (4) Except as provided in section 9(k) of this chapter, the  
 14 remainder, if any, of:
- 15 (A) thirty-three and one-third percent (33 1/3%) of the  
 16 admissions tax and supplemental wagering tax collected by  
 17 the licensed owner of the riverboat during the preceding  
 18 calendar quarter; minus
- 19 (B) the amount distributed to the northwest Indiana regional  
 20 development authority under subdivision (2) for the  
 21 calendar quarter;  
 22 must be paid to Lake County.
- 23 (5) Except as provided in section 9(k) of this chapter, three  
 24 percent (3%) of the admissions tax and supplemental wagering  
 25 tax collected by the licensed owner of the riverboat during the  
 26 preceding calendar quarter must be paid to the county  
 27 convention and visitors bureau for Lake County.
- 28 (6) Except as provided in section 9(k) of this chapter, three  
 29 hundred thirty-three thousandths percent (.333%) of the  
 30 admissions tax and supplemental wagering tax collected by the  
 31 licensed owner of a riverboat during the preceding calendar  
 32 quarter must be paid to the northern Indiana law enforcement  
 33 training center.
- 34 (7) Except as provided in section 9(k) of this chapter, five  
 35 percent (5%) of the admissions tax and supplemental wagering  
 36 tax collected by the licensed owner of the riverboat during the  
 37 preceding calendar quarter must be paid to the state fair  
 38 commission for use in any activity that the commission is  
 39 authorized to carry out under IC 15-13-3.
- 40 (8) Except as provided in section 9(k) of this chapter, three and  
 41 thirty-three hundredths percent (3.33%) of the admissions tax  
 42 and supplemental wagering tax collected by the licensed owner

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1 for each person admitted to the riverboat during the preceding  
 2 calendar quarter must be paid to the division of mental health  
 3 and addiction.  
 4 (9) Twenty-one and six hundred sixty-seven thousandths percent  
 5 (21.667%) of the admissions tax and supplemental wagering tax  
 6 collected by the licensed owner of the riverboat during the  
 7 preceding calendar quarter must be paid to the state general  
 8 fund.  
 9 SECTION 5. IC 4-33-13-2.5 IS REPEALED [EFFECTIVE UPON  
 10 PASSAGE]. Sec. 2.5: (a) This section applies only to tax revenue:  
 11 (1) remitted by a licensed owner operating a riverboat sited at a  
 12 location approved under IC 4-33-6-4.5; and  
 13 (2) collected under this chapter after June 30, 2025.  
 14 (b) Notwithstanding section 3 of this chapter, the department shall  
 15 deposit from the tax revenue remitted under this chapter by a licensed  
 16 owner operating a riverboat sited at a location approved under  
 17 IC 4-33-6-4.5 amounts as follows:  
 18 (1) In each state fiscal year beginning after June 30, 2025, and  
 19 ending before July 1, 2027, an amount equal to the amount  
 20 deposited under IC 36-7.5-6-5(a) by the city of Gary in the  
 21 blighted property demolition fund established by IC 36-7.5-6-4,  
 22 up to three million dollars (\$3,000,000).  
 23 (2) In each state fiscal year beginning after June 30, 2025, and  
 24 ending before July 1, 2045, an amount equal to the amount  
 25 deposited under IC 36-7.5-7-5(c) by an entity in the Lake County  
 26 economic development and convention fund established by  
 27 IC 36-7.5-7-5, up to five million dollars (\$5,000,000).  
 28 (3) In each state fiscal year beginning after June 30, 2025, and  
 29 ending before July 1, 2050, an amount equal to the amount  
 30 deposited under IC 36-7.5-8-4 by the city of Gary, or on behalf  
 31 of the city of Gary from any other source, in the Gary Metro  
 32 Center station revitalization fund established by IC 36-7.5-8-3,  
 33 up to three million dollars (\$3,000,000).  
 34 Any amount of tax revenue remitted under this chapter by a licensed  
 35 owner operating a riverboat sited at a location approved under  
 36 IC 4-33-6-4.5 in a state fiscal year that exceeds the amount required for  
 37 the deposits in this subsection for the state fiscal year must be  
 38 deposited in the state gaming fund under section 3 of this chapter.  
 39 (c) Budget committee review is required before any money may  
 40 be:  
 41 (1) matched under subsection (b); and  
 42 (2) released to any of the following funds:

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- 1 (A) The blighted property demolition fund established by
- 2 IC 36-7.5-6-4.
- 3 (B) The Lake County economic development and
- 4 convention fund established by IC 36-7.5-7-5.
- 5 (C) The Gary Metro Center station revitalization fund
- 6 established by IC 36-7.5-8-3.
- 7 (d) The northwest Indiana regional development authority
- 8 established by IC 36-7.5-2-1 shall provide any information to the
- 9 department that the department determines is necessary for the
- 10 department to carry out this section.
- 11 (e) This section expires July 1, 2050.
- 12 SECTION 6. IC 4-33-13-3, AS AMENDED BY P.L.195-2023,
- 13 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 14 UPON PASSAGE]: Sec. 3. Except as provided in section 2.5 of this
- 15 chapter, The department shall deposit tax revenue collected under this
- 16 chapter in the state gaming fund.
- 17 SECTION 7. IC 4-33-13-5, AS AMENDED BY P.L.9-2024,
- 18 SECTION 109, IS AMENDED TO READ AS FOLLOWS
- 19 [EFFECTIVE UPON PASSAGE]: Sec. 5. (a) This subsection does not
- 20 apply to tax revenue remitted by an operating agent operating a
- 21 riverboat in a historic hotel district. Excluding funds that are
- 22 appropriated in the biennial budget act from the state gaming fund to
- 23 the commission for purposes of administering this article, each month
- 24 the state comptroller shall distribute the tax revenue deposited in the
- 25 state gaming fund under this chapter to the following:
- 26 (1) An amount equal to the following shall be set aside for
- 27 revenue sharing under subsection (d):
- 28 (A) Before July 1, 2021, the first thirty-three million dollars
- 29 (\$33,000,000) of tax revenues collected under this chapter
- 30 shall be set aside for revenue sharing under subsection (d).
- 31 (B) After June 30, 2021, if the total adjusted gross receipts
- 32 received by licensees from gambling games authorized
- 33 under this article during the preceding state fiscal year is
- 34 equal to or greater than the total adjusted gross receipts
- 35 received by licensees from gambling games authorized
- 36 under this article during the state fiscal year ending June 30,
- 37 2020, the first thirty-three million dollars (\$33,000,000) of
- 38 tax revenues collected under this chapter shall be set aside
- 39 for revenue sharing under subsection (d).
- 40 (C) After June 30, 2021, if the total adjusted gross receipts
- 41 received by licensees from gambling games authorized
- 42 under this article during the preceding state fiscal year is

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1 less than the total adjusted gross receipts received by  
2 licensees from gambling games authorized under this article  
3 during the state year ending June 30, 2020, an amount equal  
4 to the first thirty-three million dollars (\$33,000,000) of tax  
5 revenues collected under this chapter multiplied by the  
6 result of:

7 (i) the total adjusted gross receipts received by  
8 licensees from gambling games authorized under this  
9 article during the preceding state fiscal year; divided  
10 by

11 (ii) the total adjusted gross receipts received by  
12 licensees from gambling games authorized under this  
13 article during the state fiscal year ending June 30,  
14 2020;

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

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

19 (A) **Except as provided in clause (C), to the city,**  
20 **(excluding, after June 30, 2026, the city of Gary),** in  
21 which the riverboat is located or that is designated as the  
22 home dock of the riverboat from which the tax revenue was  
23 collected, in the case of:

- 24 (i) a city described in IC 4-33-12-6(b)(1)(A);
- 25 (ii) a city located in Lake County, **(excluding, after**  
26 **June 30, 2026, the city of Gary);** or
- 27 (iii) Terre Haute. or

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

33 (C) **In the case of the twenty-five percent (25%) of the**  
34 **remaining tax revenue remitted by the licensed owner of**  
35 **the riverboat located in the city of Gary, in each state**  
36 **fiscal year beginning after June 30, 2026, an amount**  
37 **equal to:**

- 38 (i) **forty percent (40%) of the revenue shall be**  
39 **deposited in the Lake County economic**  
40 **development and convention fund established by**  
41 **IC 36-7.5-7-5, until the amount deposited under this**  
42 **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

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

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

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

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

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

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

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

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

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

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

21 (2) the sum of:

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

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

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

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

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

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

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

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- 1 (1) Before July 1, 2021, forty-eight million dollars
- 2 (\$48,000,000).
- 3 (2) After June 30, 2021, if the total adjusted gross receipts
- 4 received by licensees from gambling games authorized under
- 5 this article during the preceding state fiscal year is equal to or
- 6 greater than the total adjusted gross receipts received by
- 7 licensees from gambling games authorized under this article
- 8 during the state fiscal year ending June 30, 2020, the maximum
- 9 amount is forty-eight million dollars (\$48,000,000).
- 10 (3) After June 30, 2021, if the total adjusted gross receipts
- 11 received by licensees from gambling games authorized under
- 12 this article during the preceding state fiscal year is less than the
- 13 total adjusted gross receipts received by licensees from gambling
- 14 games authorized under this article during the state fiscal year
- 15 ending June 30, 2020, the maximum amount is equal to the
- 16 result of:
  - 17 (A) forty-eight million dollars (\$48,000,000); multiplied by
  - 18 (B) the result of:
    - 19 (i) the total adjusted gross receipts received by
    - 20 licensees from gambling games authorized under this
    - 21 article during the preceding state fiscal year; divided
    - 22 by
    - 23 (ii) the total adjusted gross receipts received by
    - 24 licensees from gambling games authorized under this
    - 25 article during the state fiscal year ending June 30,
    - 26 2020.
- 27 If the total amount determined under subsection (f) exceeds the
- 28 maximum amount determined under this subsection, the amount
- 29 distributed to an entity under subsection (f) must be reduced according
- 30 to the ratio that the amount distributed to the entity under IC 4-33-12-6
- 31 or IC 4-33-12-8 bears to the total amount distributed under
- 32 IC 4-33-12-6 and IC 4-33-12-8 to all entities receiving a supplemental
- 33 distribution.
- 34 (i) This subsection applies to a supplemental distribution, if any,
- 35 payable to Lake County, Hammond, Gary, or East Chicago under
- 36 subsections (f) and (h). Beginning in July 2016, the state comptroller
- 37 shall, after making any deductions from the supplemental distribution
- 38 required by IC 6-3.1-20-7, deduct from the remainder of the
- 39 supplemental distribution otherwise payable to the unit under this
- 40 section the lesser of:
  - 41 (1) the remaining amount of the supplemental distribution; or
  - 42 (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

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

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

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

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

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

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

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

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

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

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

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

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

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

40 (f) Subject to subsections (i), (j), and (l), the state comptroller shall  
41 annually distribute supplemental payments to each qualified city, on a  
42 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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1 year for the purpose of repaying to the state the total amounts  
 2 appropriated from the state general fund under subsection (k) and paid  
 3 to qualified cites as supplemental payments under this chapter. The  
 4 state comptroller shall cease the deductions under this subsection on  
 5 the date that the total amounts appropriated from the state general fund  
 6 under subsection (k) and paid to qualified cites have been repaid.

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

8 SECTION 9. IC 5-1-14-19 IS ADDED TO THE INDIANA CODE  
 9 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
 10 1, 2026]: **Sec. 19. (a) This section applies to a contract between a  
 11 municipal entity and a municipal adviser entered into, renewed, or  
 12 amended after June 30, 2026.**

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

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

- 17 (1) a county;
- 18 (2) a township;
- 19 (3) a city;
- 20 (4) a town;
- 21 (5) a school corporation;
- 22 (6) a special taxing district;
- 23 (7) an instrumentality of an entity listed in subdivisions (1)  
 24 through (6); and
- 25 (8) any other entity required to sell bonds pursuant to  
 26 IC 5-1-11.

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

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

34 (f) As used in this section, "solicitation of a municipal entity or  
 35 obligated person" has the meaning set forth in 15 U.S.C.  
 36 78o-4(e)(9).

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

42 (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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1 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 8.7. "Mobile home"  
2 has the meaning set forth in ~~IC 6-1.1-7-1~~. **IC 9-13-2-103.2. The term**  
3 **includes a manufactured home (as defined in IC 9-13-2-96(a)).**

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

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

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

38 SECTION 14. IC 6-1.1-3-17, AS AMENDED BY P.L.232-2017,  
39 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
40 JANUARY 1, 2026 (RETROACTIVE)]: Sec. 17. (a) On or before June  
41 1 of each year, each township assessor (if any) of a county shall deliver  
42 to the county assessor a list which states by taxing district the total of

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

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

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

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

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

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

41 (c) The rules adopted under subsection (a) must include the  
42 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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1 of agricultural land is determined.

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

6 (A) If the preliminary base rate for the assessment date  
7 would be at least ten percent (10%) greater than the final  
8 base rate determined for the preceding assessment date, a  
9 capitalization rate of:

10 (i) for purposes of determining the preliminary base  
11 rate for the January 1, 2025, ~~and the~~ January 1, 2026,  
12 **and January 1, 2027**, assessment dates, nine percent  
13 (9%); and

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

18 shall be used to determine the final base rate.

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

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

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

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

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

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

42 (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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- 1 geographic information office of the office of technology.
- 2 (d) An assessor under subsection (b) and an appropriate county
- 3 officer under subsection (c) shall do the following:
- 4 (1) Transmit the data in a manner that meets the data export and
- 5 transmission requirements in a standard format, as prescribed by
- 6 the office of technology established by IC 4-13.1-2-1 and
- 7 approved by the legislative services agency.
- 8 (2) Resubmit the data in the form and manner required under
- 9 subsection (b) or (c) upon request of the legislative services
- 10 agency, the department of local government finance, or the
- 11 geographic information office of the office of technology, as
- 12 applicable, if data previously submitted under subsection (b) or
- 13 (c) does not comply with the requirements of subsection (b) or
- 14 (c), as determined by the legislative services agency, the
- 15 department of local government finance, or the geographic
- 16 information office of the office of technology, as applicable.

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

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

- 26 (1) May 15 in each calendar year ending before January 1, 2017;
- 27 and
- 28 (2) May 1 in each calendar year ending after December 31,
- 29 2016;

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

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

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

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

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

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

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

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

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

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

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

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

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

6 (1) For each region, the department shall determine the median  
7 true tax value per acre of all land in the region classified under  
8 the utility property class codes of the department of local  
9 government finance for the immediately preceding assessment  
10 date. ~~For purposes of these determinations, the department shall~~  
11 ~~exclude any land classified under the department's utility~~  
12 ~~property class codes that is assessed using the agricultural base~~  
13 ~~rate for the immediately preceding assessment date.~~

14 (2) The department shall release the department's annual  
15 determination of the solar land base rates on or before December  
16 1 of each year.

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

20 **Chapter 10.2. Exemptions for Indiana Nonprofit Senior Living**  
21 **Communities**

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

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

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

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

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

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

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

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

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

12 (1) inventory; or

13 (2) real property;

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

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

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

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

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

40 (2) the individual received an honorable discharge;

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

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- 1 (4) the individual's disability is evidenced by:
- 2 (A) a pension certificate, an award of compensation, or a
- 3 disability compensation check issued by the United States
- 4 Department of Veterans Affairs; or
- 5 (B) a certificate of eligibility issued to the individual by the
- 6 Indiana department of veterans' affairs after the Indiana
- 7 department of veterans' affairs has determined that the
- 8 individual's disability qualifies the individual to receive a
- 9 deduction under this section; and
- 10 (5) the individual:
- 11 (A) owns the real property, mobile home, or manufactured
- 12 home; or
- 13 (B) is buying the real property, mobile home, or
- 14 manufactured home under contract;
- 15 on the date the statement required by section 15 of this chapter
- 16 is filed.
- 17 (b) The surviving spouse of an individual may receive the
- 18 deduction provided by this section if the individual satisfied the
- 19 requirements of subsection (a)(1) through (a)(4) at the time of death
- 20 and the surviving spouse satisfies the requirement of subsection (a)(5)
- 21 at the time the deduction statement is filed. The surviving spouse is
- 22 entitled to the deduction regardless of whether the property for which
- 23 the deduction is claimed was owned by the deceased veteran or the
- 24 surviving spouse before the deceased veteran's death.
- 25 (c) One who receives the deduction provided by this section may
- 26 not receive the deduction provided by section 16 of this chapter.
- 27 However, the individual may receive any other property tax deduction
- 28 which the individual is entitled to by law.
- 29 (d) An individual who has sold real property, a mobile home not
- 30 assessed as real property, or a manufactured home not assessed as real
- 31 property to another person under a contract that provides that the
- 32 contract buyer is to pay the property taxes on the real property, mobile
- 33 home, or manufactured home may not claim the deduction provided
- 34 under this section against that real property, mobile home, or
- 35 manufactured home.
- 36 **(e) This section applies only to property taxes imposed for an**
- 37 **assessment date before January 1, 2026.**
- 38 **(f) This section expires January 1, 2028.**
- 39 SECTION 27. IC 6-1.1-12-14, AS AMENDED BY P.L.230-2025,
- 40 SECTION 32, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 41 JANUARY 1, 2026 (RETROACTIVE)]: Sec. 14. (a) ~~Except as~~
- 42 ~~provided in subsection (e) and~~ Except as provided in section 40.5 of

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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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1 (2) the individual:

2 (A) was killed in action;

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

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

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

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

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

21 (1) January 1, 2017; January 1, 2018; and January 1, 2019;  
22 assessment dates, the assessed value limit for purposes of  
23 subsection (c) is one hundred seventy-five thousand dollars  
24 (\$175,000);

25 (2) January 1, 2020; January 1, 2021; January 1, 2022; and  
26 January 1, 2023; assessment dates, the assessed value limit for  
27 purposes of subsection (c) is two hundred thousand dollars  
28 (\$200,000); and

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

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

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

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- 1           (1) December 31, 2019; or
- 2           (2) the first year that the individual has received the deduction;
- 3 are not considered unless the increase in assessed value is attributable
- 4 to substantial renovation or new improvements. Where there is an
- 5 increase in assessed value for purposes of the deduction under this
- 6 section, the assessor shall provide a report to the county auditor
- 7 describing the substantial renovation or new improvements, if any, that
- 8 were made to the property prior to the increase in assessed value.

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

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

- 16           (1) the individual served in the military or naval forces of the
- 17 United States for at least ninety (90) days;
- 18           (2) the individual received an honorable discharge;
- 19           (3) the individual has a disability of at least fifty percent (50%);
- 20           (4) the individual's disability is evidenced by:
  - 21               (A) a pension certificate or an award of compensation
  - 22               issued by the United States Department of Veterans Affairs;
  - 23               or
  - 24               (B) a certificate of eligibility issued to the individual by the
  - 25               Indiana department of veterans' affairs after the Indiana
  - 26               department of veterans' affairs has determined that the
  - 27               individual's disability qualifies the individual to receive a
  - 28               deduction under this section; and
- 29           (5) the homestead was conveyed without charge to the individual
- 30 who is the owner of the homestead by an organization that is
- 31 exempt from income taxation under the federal Internal Revenue
- 32 Code.

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

- 36           (1) If the individual is totally disabled, the deduction is equal to
- 37 one hundred percent (100%) of the assessed value of the
- 38 homestead.
- 39           (2) If the individual has a disability of at least ninety percent
- 40 (90%) but the individual is not totally disabled, the deduction is
- 41 equal to ninety percent (90%) of the assessed value of the
- 42 homestead.

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1 (3) If the individual has a disability of at least eighty percent  
2 (80%) but less than ninety percent (90%), the deduction is equal  
3 to eighty percent (80%) of the assessed value of the homestead.

4 (4) If the individual has a disability of at least seventy percent  
5 (70%) but less than eighty percent (80%), the deduction is equal  
6 to seventy percent (70%) of the assessed value of the homestead.

7 (5) If the individual has a disability of at least sixty percent  
8 (60%) but less than seventy percent (70%), the deduction is  
9 equal to sixty percent (60%) of the assessed value of the  
10 homestead.

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

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

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

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

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

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

42 ~~(2) (1) a pension certificate or an award of compensation issued~~

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1 by the United States Department of Veterans Affairs if the  
 2 individual claims the deduction provided by section 14 of this  
 3 chapter; or  
 4 ~~(3)~~ **(2)** the appropriate certificate of eligibility issued to the  
 5 individual by the Indiana department of veterans' affairs if the  
 6 individual claims the deduction provided by section ~~13~~ or 14 of  
 7 this chapter.

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

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

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

- 35 (1) the deceased spouse served in the military or naval forces of
- 36 the United States before November 12, 1918;
- 37 (2) the deceased spouse received an honorable discharge; and
- 38 (3) the surviving spouse:
  - 39 (A) owns the real property, mobile home, or manufactured
  - 40 home; or
  - 41 (B) is buying the real property, mobile home, or
  - 42 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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1 assessment date before January 1, 2025:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

21 (g) An individual who:

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

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

29 is not required to file a statement to apply for a deduction under section  
 30 37 of this chapter if the individual remains eligible for the deduction in  
 31 the current year. An individual who filed for a homestead credit under  
 32 IC 6-1.1-20.9 (repealed) for an assessment date after March 1, 2007 (if  
 33 the property is real property), or after January 1, 2008 (if the property  
 34 is personal property), shall be treated as an individual who has filed for  
 35 a deduction under section 37 of this chapter. However, the county  
 36 auditor may, in the county auditor's discretion, terminate the deduction  
 37 for assessment dates after January 15, 2012, if the individual does not  
 38 comply with the requirement in IC 6-1.1-22-8.1(b)(9) (expired January  
 39 1, 2015), as determined by the county auditor, before January 1, 2013.  
 40 Before the county auditor terminates the deduction because the  
 41 taxpayer claiming the deduction did not comply with the requirement  
 42 in IC 6-1.1-22-8.1(b)(9) (expired January 1, 2015) before January 1,

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1 2013, the county auditor shall mail notice of the proposed termination  
2 of the deduction to the last known address of each person liable for any  
3 property taxes or special assessment, as shown on the tax duplicate or  
4 special assessment records, or to the last known address of the most  
5 recent owner shown in the transfer book.

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

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

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

24 SECTION 33. IC 6-1.1-12-17.9, AS AMENDED BY  
25 P.L.230-2025, SECTION 36, IS AMENDED TO READ AS  
26 FOLLOWS [EFFECTIVE JANUARY 1, 2026 (RETROACTIVE)]:  
27 Sec. 17.9. A trust is entitled to a deduction under section 9 (before its  
28 expiration), 11 (before its expiration), 13 **(before its expiration)**, ~~14,~~  
29 ~~16, (before its expiration)~~; or 17.4 (before its expiration) of this chapter  
30 for real property owned by the trust and occupied by an individual if  
31 the county auditor determines that the individual:

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

- 34 (A) a beneficial interest in the trust; or
- 35 (B) the right to occupy the real property rent free under the
- 36 terms of a qualified personal residence trust created by the
- 37 individual under United States Treasury Regulation
- 38 25.2702-5(c)(2); and

39 (2) otherwise qualifies for the deduction.

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

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

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

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

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

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

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

16 (A) that is located in Indiana;

17 (B) that:

18 (i) the individual owns;

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

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

31 (iv) is a residence described in section 17.9 of this  
32 chapter ~~(before its expiration)~~ that is owned by a trust  
33 if the individual is an individual described in section  
34 17.9 of this chapter; ~~(before its expiration)~~; and

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

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

39 (ii) One (1) additional building that is not part of the  
40 dwelling if the building is predominantly used for a  
41 residential purpose and is not used as an investment  
42 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

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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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- 1 (A) the last five (5) digits of the applicant's Social Security
- 2 number and the last five (5) digits of the Social Security
- 3 number of the applicant's spouse (if any); or
- 4 (B) if the applicant or the applicant's spouse (if any) does
- 5 not have a Social Security number, any of the following for
- 6 that individual:
- 7 (i) The last five (5) digits of the individual's driver's
- 8 license number.
- 9 (ii) The last five (5) digits of the individual's state
- 10 identification card number.
- 11 (iii) The last five (5) digits of a preparer tax
- 12 identification number that is obtained by the individual
- 13 through the Internal Revenue Service of the United
- 14 States.
- 15 (iv) If the individual does not have a driver's license, a
- 16 state identification card, or an Internal Revenue
- 17 Service preparer tax identification number, the last five
- 18 (5) digits of a control number that is on a document
- 19 issued to the individual by the United States
- 20 government.

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

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

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

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

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

42 (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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1 (2) was ordered to transfer to a location outside Indiana; and  
 2 (3) was otherwise eligible, without regard to this subsection, for  
 3 the deduction under this section for the property for the  
 4 assessment date immediately preceding the transfer date  
 5 specified in the order described in subdivision (2).

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

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

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

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

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

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

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

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

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

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

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

4 SECTION 35. IC 6-1.1-12-43, AS AMENDED BY P.L.230-2025,  
5 SECTION 37, AND AS AMENDED BY P.L.186-2025, SECTION  
6 292, AND AS AMENDED BY THE TECHNICAL CORRECTIONS  
7 BILL OF THE 2026 GENERAL ASSEMBLY, IS CORRECTED AND  
8 AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1,  
9 2025 (RETROACTIVE)]: Sec. 43. (a) For purposes of this section:

10 (1) "benefit" refers to a deduction under section 9 (before its  
11 expiration), 11 (before its expiration), 13, ~~(before its expiration);~~  
12 14, ~~(before its expiration);~~ 16, ~~(before its expiration);~~ 17.4  
13 (before its expiration), 26 (before its expiration), 29 (before its  
14 expiration), 33 (before its expiration), 34 (before its expiration),  
15 37, or 37.5 of this chapter;

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

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

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

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

21 (B) refinancing transaction.

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

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

32 (1) on one (1) side:

33 (A) list each benefit; and

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

35 (2) on the other side indicate:

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

38 (B) sufficient instructions and information to permit a party  
39 to terminate a standard deduction under section 37 of this  
40 chapter on any property on which the party or the spouse of  
41 the party will no longer be eligible for the standard  
42 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*

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

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

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

10                    *(2) with respect to a transaction that is closed after December*  
 11                    *31, 2009, the closing agent's failure to input the information or*  
 12                    *submit the form described in subsection (e).*

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

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

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

18                    SECTION 36. IC 6-1.1-12-46, AS AMENDED BY P.L.230-2025,  
 19                    SECTION 38, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 20                    JANUARY 1, 2025 (RETROACTIVE)]: Sec. 46. (a) This section  
 21                    applies to real property for an assessment date in 2011 or a later year  
 22                    if:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

- 15 (1) a partially completed structure; or  
 16 (2) a fully completed structure;

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

18 (b) Except as provided in subsection (c) and sections 4, 5, and 6  
 19 of this chapter, and subject to sections 7 and 8 of this chapter, an owner  
 20 of a model residence is entitled to a deduction from the assessed value  
 21 of the model residence in the amount of ~~fifty~~ **seventy-five** percent  
 22 (~~50%~~) (**75%**) of the assessed value of the model residence for the  
 23 following:

- 24 (1) Not more than one (1) assessment date for which the model  
 25 residence is assessed as a partially completed structure.  
 26 (2) The assessment date for which the model residence is first  
 27 assessed as a fully completed structure.  
 28 (3) The two (2) assessment dates that immediately succeed the  
 29 assessment date referred to in subdivision (2).

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

- 33 (1) after the assessment date of that year but before January 1 of  
 34 the following year; and  
 35 (2) to a person who does not continue to use the real property as  
 36 a model residence.

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

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

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1 JANUARY 1, 2026 (RETROACTIVE)]; Sec. 4. (a) Subject to section  
 2 8 of this chapter, a property owner is entitled to a deduction under this  
 3 chapter for an assessment date for not more than ~~three (3)~~ **seven (7)**  
 4 model residences in Indiana.

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

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

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

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

26 (1) a partially completed structure; or

27 (2) a fully completed structure;

28 for the assessment date in 2012 or a later year.

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

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

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

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

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

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

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

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

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

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

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

30 under this section.

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

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

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

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

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

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

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

11 SECTION 42. IC 6-1.1-12.8-9, AS ADDED BY P.L.175-2011,  
12 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
13 JANUARY 1, 2026 (RETROACTIVE)]: Sec. 9. (a) Subject to section  
14 10 of this chapter, a property owner is entitled to a deduction under this  
15 chapter for an assessment date for not more than ~~three (3)~~ **seven (7)**  
16 residences in inventory in Indiana.

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

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

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

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

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

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

11 (1) September 1;

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

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

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

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

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

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

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

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

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1 taxing district for that calendar year:

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

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

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

- 25 (1) if the total cost of the contract to the political subdivision
- 26 exceeds fifty thousand dollars (\$50,000) during the term of
- 27 the contract as required by IC 5-14-3.8-3.5(c); and
- 28 (2) related to the provision of fire services or emergency medical
- 29 services to the Indiana transparency website as required by
- 30 IC 5-14-3.8-3.5(d).

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

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

- 38 (1) the township has previously submitted a petition, or
- 39 petitions, under this section in any year after December 31,
- 40 2016;
- 41 (2) the sum of all adjustments determined under STEP
- 42 THREE of subsection (c) for the petition or petitions

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

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

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

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

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

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

40 STEP TWO: Determine the greater of zero (0) or the result of:  
41 (A) the STEP ONE percentage; minus  
42 (B) six percent (6%);

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

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- 1           **(1) The amount determined under subsection (c) may not**
- 2           **exceed the result of:**
- 3               **(A) the STEP TWO result in subsection (c); multiplied**
- 4               **by**
- 5               **(B) eight-tenths (0.8).**
- 6           **(2) The rate, as adjusted under this section and as certified**
- 7           **by the department of local government finance for the**
- 8           **township's maximum permissible ad valorem property tax**
- 9           **levy for:**
- 10               **(A) its township firefighting and emergency services**
- 11               **fund under IC 36-8-13-4(a)(1); or**
- 12               **(B) the levies for the township firefighting fund and**
- 13               **township emergency services fund described in**
- 14               **IC 36-8-13-4(a)(2);**
- 15           **as applicable, may not exceed a rate determined by the**
- 16           **formula under subsection (f).**
- 17           **(3) STEP FOUR of subsection (c) applies to any petition the**
- 18           **executive of the township subsequently submits after**
- 19           **submitting an initial petition after December 31, 2025, under**
- 20           **this section.**
- 21           **(f) The rate limitation described in subsection (e)(2) shall be**
- 22           **determined using the following formula:**
- 23               **STEP ONE: Determine the sum of:**
- 24                   **(A) the rate certified by the department of local**
- 25                   **government finance for the current year for the**
- 26                   **township's:**
- 27                       **(i) township firefighting and emergency services**
- 28                       **fund under IC 36-8-13-4(a)(1); or**
- 29                       **(ii) the levies for the township firefighting fund and**
- 30                       **township emergency services fund described in**
- 31                       **IC 36-8-13-4(a)(2);**
- 32                   **as applicable; plus**
- 33                   **(B) the amount determined under STEP THREE of**
- 34                   **subsection (c).**
- 35               **STEP TWO: Determine the lesser of:**
- 36                   **(A) twenty-hundredths (0.20); or**
- 37                   **(B) the STEP ONE result.**
- 38           **SECTION 47. IC 6-1.1-18-29 IS REPEALED [EFFECTIVE**
- 39           **UPON PASSAGE]. Sec. 29: (a) The board of trustees of a fire**
- 40           **protection district may, upon approval by the county legislative body,**
- 41           **submit a petition to the department of local government finance for an**
- 42           **increase in the fire protection district's maximum permissible ad**

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

3 SECTION 48. IC 6-1.1-18-29.5 IS REPEALED [EFFECTIVE  
4 UPON PASSAGE]. Sec. 29.5: (a) The executive of a unit serving as the  
5 provider unit of a fire protection territory may, upon approval by the  
6 provider unit's fiscal body, submit a petition to the department of local  
7 government finance for an increase in the fire protection territory's  
8 maximum permissible ad valorem property tax levy for its fire  
9 protection territory fund under IC 36-8-19-8 for property taxes first due  
10 and payable in 2023 or for any year thereafter for which a petition is  
11 submitted under this section.

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

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

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

29 (A) the STEP ONE percentage, minus

30 (B) six percent (6%);

31 expressed as a decimal.

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

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

34 (B) the STEP TWO result.

35 STEP FOUR: Reduce the STEP THREE rate by any rate  
36 increase in the fire protection territory's property tax rate for its  
37 fire protection territory fund within the immediately preceding  
38 ten (10) year period that was made based on a petition submitted  
39 by the fire protection territory under this section.

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

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1 as adjusted under this section; shall be calculated as:

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

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

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

22 (b) If under subsection (a) a civil taxing unit is not subject to the  
 23 levy limits imposed under section 3 of this chapter for an ensuing  
 24 calendar year, the civil taxing unit shall, ~~before June 30 of in the~~  
 25 ~~immediately preceding year, refer its proposed~~ **adopt its** budget, ad  
 26 ~~valorem property tax levy, and property tax rate for the ensuing~~  
 27 ~~calendar year to and file the adopted budget, ad valorem property~~  
 28 ~~tax levy, and property tax rate with the department of local~~  
 29 ~~government finance as required by IC 6-1.1-17-5. The department of~~  
 30 ~~local government finance shall make a final determination of review~~  
 31 ~~the civil taxing unit's budget, ad valorem property tax levy, and~~  
 32 ~~property tax rate for the ensuing calendar year to ensure the adopted~~  
 33 ~~budget is fundable based on the civil taxing unit's adopted tax levy~~  
 34 ~~and estimates of available revenues. If the adopted budget is~~  
 35 ~~fundable, the department of local government finance shall certify~~  
 36 ~~the adopted ad valorem property tax levy for the ensuing calendar~~  
 37 ~~year. However, a civil taxing unit may not impose a property tax levy~~  
 38 ~~for an ensuing calendar year if the unit did not exist as of January 1 of~~  
 39 ~~the immediately preceding year.~~

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

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

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

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

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

27 (b) **Subject to subsection (c), the executive of a township**  
 28 **described in subsection (a) may, after approval by the fiscal body**  
 29 **of the township, and before August 1, 2026, submit a petition to the**  
 30 **department of local government finance requesting an increase in**  
 31 **the township's maximum permissible ad valorem property tax levy**  
 32 **for property taxes first due and payable in 2027.**

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

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

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

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1           **ad valorem property tax levy.**  
2           **(3) The estimated effect of the proposed increase on**  
3           **taxpayers.**  
4           **After the fiscal body approves the petition, the township shall**  
5           **immediately notify the other civil taxing units and school**  
6           **corporations in the county that are located in a taxing district**  
7           **where the township is also located.**  
8           **(d) If the executive of the township submits a petition under**  
9           **subsection (b), the department of local government finance shall**  
10           **increase the maximum permissible ad valorem property tax levy**  
11           **for property taxes first due and payable in 2027 by twelve**  
12           **thousand one hundred sixty-seven dollars (\$12,167).**  
13           **(e) The township's maximum permissible ad valorem property**  
14           **tax levy for property taxes first due and payable in 2027, as**  
15           **adjusted under this section, shall be used in the determination of**  
16           **the township's maximum permissible ad valorem property tax levy**  
17           **under IC 6-1.1-18.5 for property taxes first due and payable in**  
18           **2028 and thereafter.**  
19           **(f) This section expires June 30, 2029.**  
20           SECTION 52. IC 6-1.1-20.6-2.4, AS ADDED BY P.L.146-2008,  
21           SECTION 217, IS AMENDED TO READ AS FOLLOWS  
22           [EFFECTIVE UPON PASSAGE]: Sec. 2.4. As used in this chapter,  
23           (†) "manufactured home" has the meaning set forth in  
24           ~~IC 22-12-1-16~~; and **IC 9-13-2-96(a). The term includes a**  
25           **mobile home (as defined in IC 9-13-2-103.2).**  
26           ~~(2) "mobile home" has the meaning set forth in IC 16-41-27-4.~~  
27           SECTION 53. IC 6-1.1-20.6-3, AS AMENDED BY P.L.68-2025,  
28           SECTION 73, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
29           JANUARY 1, 2026 (RETROACTIVE)]: Sec. 3. As used in this  
30           chapter, "property tax liability" means, for purposes of:  
31           (1) this chapter, other than section 7.7 or 8.5 of this chapter,  
32           liability for the tax imposed on property under this article  
33           determined after application of all credits and deductions under  
34           this article or IC 6-3.6, except the credit granted by section 7 or  
35           7.5 of this chapter, but does not include any interest or penalty  
36           imposed under this article;  
37           (2) section 8.5 of this chapter, liability for the tax imposed on  
38           property under this article determined after application of all  
39           credits and deductions under this article or IC 6-3.6, including  
40           the credits granted by sections 7, 7.5, and 7.7 of this chapter, but  
41           not including the credit granted under section 8.5 of this chapter  
42           or any interest or penalty imposed under this article; and

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

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

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

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

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

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

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

32 of a political subdivision payable from ad valorem property  
 33 taxes.

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

35 (A) Property taxes that are exempted from the application  
 36 of a credit granted under section 7 or 7.5 of this chapter by  
 37 section 7(b), 7(c), 7.5(b), or 7.5(c) of this chapter or another  
 38 law.

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

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1 7.5(b), or 7.5(c) of this chapter or any other law. Property  
 2 taxes described in this clause are subject to the credit  
 3 granted under section 7 or 7.5 of this chapter by section  
 4 7(b), 7(c), 7.5(b), or 7.5(c) of this chapter regardless of their  
 5 designation as protected taxes.

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

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

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

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

22 (d) When:

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

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

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

39 SECTION 56. IC 6-1.1-20.6-9.9, AS AMENDED BY  
 40 P.L.236-2023, SECTION 39, IS AMENDED TO READ AS  
 41 FOLLOWS [EFFECTIVE JANUARY 1, 2026 (RETROACTIVE)]:  
 42 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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- 1 (b)(2) (after December 31, 2023).  
 2 STEP THREE: Determine the result of the school corporation's  
 3 total levy minus any referendum levy.  
 4 STEP FOUR: Subtract the STEP TWO amount from the STEP  
 5 THREE amount.  
 6 STEP FIVE: Divide the STEP FOUR amount by the STEP  
 7 THREE amount expressed as a percentage.  
 8 STEP SIX: Multiply the STEP ONE amount by the STEP FIVE  
 9 percentage.  
 10 STEP SEVEN: Determine the school corporation's levy for the  
 11 school corporation's operations fund.  
 12 STEP EIGHT: Divide the STEP SIX amount by the STEP  
 13 SEVEN amount expressed as a percentage.  
 14 The computation must be made by taking into account the requirements  
 15 of section 9.8 of this chapter regarding protected taxes and the impact  
 16 of credits granted under this chapter on the revenue to be distributed to  
 17 the school corporation's operations fund for the particular year.  
 18 (d) A school corporation that desires to be an eligible school  
 19 corporation under this section must, before May 1 of the year for which  
 20 it wants a determination, submit a written request for a certification by  
 21 the department of local government finance that the computation of the  
 22 school corporation's percentage under subsection (c) is correct. The  
 23 department of local government finance shall, not later than June 1 of  
 24 that year, determine whether the percentage computed by the school  
 25 corporation under subsection (c) is accurate and certify whether the  
 26 school corporation is eligible under this section.  
 27 (e) For a school corporation that is certified as eligible under this  
 28 section, the school corporation may allocate the effect of the credits  
 29 granted under this chapter **and IC 6-1.1-49** proportionately among all  
 30 the school corporation's property tax funds that are not exempt under  
 31 section 7.5(b) or 7.5(c) of this chapter, based on the levy for each fund  
 32 and without taking into account the requirements of section 9.8 of this  
 33 chapter regarding protected taxes as determined under the following  
 34 formula:  
 35 STEP ONE: Determine the product of:  
 36 (A) the percentage determined under STEP EIGHT of  
 37 subsection (c); multiplied by  
 38 (B) five (5).  
 39 STEP TWO: Determine the lesser of the STEP ONE percentage  
 40 or one hundred percent (100%).  
 41 STEP THREE: Determine the product of:  
 42 (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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- 1 (F) IC 36-7-15.1-26(a);  
 2 (G) IC 36-7-15.1-26.2(c);  
 3 (H) IC 36-7-15.1-53(a);  
 4 (I) IC 36-7-15.1-55(c);  
 5 (J) IC 36-7-30-25(a)(3);  
 6 (K) IC 36-7-30-26(c);  
 7 (L) IC 36-7-30.5-30; or  
 8 (M) IC 36-7-30.5-31; or  
 9 (2) for allocation areas created under IC 8-22-3.5, the taxes  
 10 assessed on taxable tangible property in the allocation area.  
 11 SECTION 59. IC 6-1.1-22-19, AS ADDED BY P.L.230-2025,  
 12 SECTION 50, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 13 JANUARY 1, 2026 (RETROACTIVE)]: Sec. 19. (a) This section  
 14 applies to real property tax statements provided to taxpayers after  
 15 December 31, 2025.  
 16 (b) In a manner determined by the department of local government  
 17 finance, the department of local government finance shall include on  
 18 the coupon page of the property tax statement prescribed by the  
 19 department of local government finance educational information  
 20 regarding the eligibility and procedures for the following deductions  
 21 and **credit credits** available to certain eligible taxpayers:  
 22 (1) The deduction for a veteran with a partial disability under  
 23 IC 6-1.1-12-13 **(before its expiration)**.  
 24 (2) The deduction for a totally disabled veteran ~~or a veteran who~~  
 25 ~~is at least sixty-two (62) years of age who is partially disabled~~  
 26 under IC 6-1.1-12-14.  
 27 (3) The deduction for a disabled veteran under IC 6-1.1-12-14.5.  
 28 (4) The credit for a person sixty-five (65) years of age or older  
 29 under IC 6-1.1-51.3-1.  
 30 **(5) The credit for a disabled veteran or a veteran who is at**  
 31 **least sixty-two (62) years of age under IC 6-1.1-51.3-5.**  
 32 **(6) The credit for a veteran with a partial disability under**  
 33 **IC 6-1.1-51.3-6.**  
 34 SECTION 60. IC 6-1.1-24-5.7, AS AMENDED BY P.L.26-2023,  
 35 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 36 JANUARY 1, 2026 (RETROACTIVE)]: Sec. 5.7. (a) The county  
 37 treasurer shall require each person who will be bidding at the tax sale  
 38 to sign a statement in a form substantially similar to the following:  
 39 "Indiana law prohibits a person who owes delinquent taxes,  
 40 special assessments, penalties, interest, or costs directly  
 41 attributable to a prior tax sale of a tract or item of real property  
 42 listed under IC 6-1.1-24-1 from bidding on or purchasing tracts

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

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

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

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

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

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

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- 1 (5) file with the county recorder a certification identifying the  
 2 forfeited sale that includes:  
 3 (A) the date of the sale;  
 4 (B) the name of the buyer;  
 5 (C) the property identification number of the real property;  
 6 (D) the real property's legal description; and  
 7 (E) a statement that the sale has been forfeited and is null  
 8 and void because the buyer was not eligible to purchase the  
 9 real property.
- 10 Upon being notified that a sale has been forfeited, the county auditor  
 11 shall issue a certificate to the county executive under section 6 of this  
 12 chapter.
- 13 (c) A county treasurer may decline to forfeit a sale under this  
 14 section because of inadvertence or mistake, lack of actual knowledge  
 15 by the bidder, substantial harm to other parties with interests in the real  
 16 property, or other substantial reasons. If the treasurer declines to forfeit  
 17 a sale, the treasurer shall:
- 18 (1) prepare a written statement explaining the reasons for  
 19 declining to forfeit the sale;  
 20 (2) retain the written statement as an official record; and  
 21 (3) file with the county recorder a certification that includes:  
 22 (A) the date of the sale;  
 23 (B) the name of the buyer;  
 24 (C) the property identification number of the real property;  
 25 (D) the real property's legal description; and  
 26 (E) a statement that the sale has not been forfeited and is  
 27 valid.
- 28 (d) If a sale is forfeited under this section and the tract or item of  
 29 real property is redeemed from the sale, the county auditor shall deposit  
 30 the amount of the redemption into the county general fund and notify  
 31 the county executive of the redemption. Upon being notified of the  
 32 redemption, the county executive shall surrender the certificate to the  
 33 county auditor.
- 34 (e) If a county treasurer does not take action under subsection (b)  
 35 within forty-five (45) days of the date the county treasurer determines  
 36 or is notified that a sale should be forfeited, the person is deemed to be  
 37 an eligible purchaser for that sale of that real property.
- 38 (f) If a tax deed is issued for real property under IC 6-1.1-25-4, this  
 39 section cannot be invoked to invalidate, rescind, or set aside the tax  
 40 deed.
- 41 SECTION 61. IC 6-1.1-24-5.9 IS ADDED TO THE INDIANA  
 42 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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1 (2) The assignment must be registered in the office of the county  
2 auditor and noted in the county auditor's tax sale record under  
3 IC 6-1.1-25-8.

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

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

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

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

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

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

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

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

42 (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

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

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

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

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

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

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

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

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

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

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

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

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

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1 If the proposal has a property tax rate that exceeds the maximum  
2 property tax rate allowed by the applicable statute described in section  
3 1 of this chapter, the department of local government finance shall  
4 certify the proposal at a rate equal to the maximum property tax rate  
5 allowed by the applicable statute under section 1 of this chapter.

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

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

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

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

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

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

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

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

37 (3) the individual:  
38 (A) owns the real property, mobile home, or manufactured  
39 home; or  
40 (B) is buying the real property, mobile home, or  
41 manufactured home under contract;  
42 on the date the credit is claimed; ~~and~~

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- 1 (4) the:
- 2 (A) individual had, in the case of an individual who filed a
- 3 single return, adjusted gross income (as defined in Section
- 4 62 of the Internal Revenue Code) not exceeding sixty
- 5 thousand dollars (\$60,000);
- 6 (B) individual had, in the case of an individual who filed a
- 7 joint income tax return with the individual's spouse,
- 8 combined adjusted gross income (as defined in Section 62
- 9 of the Internal Revenue Code) not exceeding seventy
- 10 thousand dollars (\$70,000); or
- 11 (C) combined adjusted gross income (as defined in Section
- 12 62 of the Internal Revenue Code) of the individual and all
- 13 other individuals with whom:
- 14 (i) the individual shares ownership; or
- 15 (ii) the individual is purchasing the property under a
- 16 contract;
- 17 as joint tenants or tenants in common did not exceed
- 18 seventy thousand dollars (\$70,000);
- 19 for the calendar year preceding by two (2) years the calendar
- 20 year in which the property taxes are first due and payable; **and**
- 21 **(5) the individual resides on the real property, mobile home,**
- 22 **or manufactured home.**
- 23 (b) The amount of the credit is equal to one hundred fifty dollars
- 24 (\$150).
- 25 (c) An individual may not be denied the credit provided under this
- 26 section because the individual is absent from the real property, mobile
- 27 home, or manufactured home while in a nursing home or hospital.
- 28 (d) For purposes of this section, if real property, a mobile home,
- 29 or a manufactured home is owned by:
- 30 (1) tenants by the entirety;
- 31 (2) joint tenants; or
- 32 (3) tenants in common;
- 33 only one (1) credit may be allowed. However, the age requirement is
- 34 satisfied if any one (1) of the tenants is at least sixty-five (65) years of
- 35 age.
- 36 (e) A surviving spouse is entitled to the credit provided by this
- 37 section if:
- 38 (1) the surviving spouse is at least sixty (60) years of age on or
- 39 before December 31 of the calendar year preceding the year in
- 40 which the credit is claimed;
- 41 (2) the surviving spouse's deceased husband or wife was at least
- 42 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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1 (B) a certificate of eligibility issued to the individual by  
 2 the Indiana department of veterans' affairs after the  
 3 Indiana department of veterans' affairs has determined  
 4 that the individual's disability qualifies the individual to  
 5 receive a credit under this section; and

6 (5) the individual:

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

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

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

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

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

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

20 (2) the individual:

21 (A) was killed in action;

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

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

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

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

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

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

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

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

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

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

- 34 (5) the individual:

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

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

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

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1 dollars (\$350).  
 2 (c) The surviving spouse of an individual may receive the  
 3 credit provided by this section if the individual satisfied the  
 4 requirements of subsection (a)(1) through (a)(4) at the time of  
 5 death and the surviving spouse satisfies the requirement of  
 6 subsection (a)(5) at the time the credit is claimed. The surviving  
 7 spouse is entitled to the credit regardless of whether the property  
 8 for which the credit is claimed was owned by the deceased veteran  
 9 or the surviving spouse before the deceased veteran's death.  
 10 (d) An individual who receives the credit provided by this  
 11 section may receive any other property tax credit that the  
 12 individual is entitled to by law.  
 13 (e) An individual who has sold real property or a mobile home  
 14 or manufactured home to another person under a contract that  
 15 provides that the contract buyer is to pay the property taxes on the  
 16 real property, mobile home, or manufactured home may not claim  
 17 the credit provided under this section against that real property,  
 18 mobile home, or manufactured home.  
 19 (f) An individual wishing to claim a credit under this section  
 20 must file a statement, on forms prescribed by the department of  
 21 local government finance, with the county auditor and provide  
 22 documentation necessary to substantiate the individual's eligibility  
 23 for the credit. The statement must be completed and dated on or  
 24 before January 15 of the calendar year in which the property taxes  
 25 are first due and payable. The statement may be filed in person or  
 26 by mail. If mailed, the mailing must be postmarked on or before  
 27 the last day for filing. An individual who remains eligible for the  
 28 credit in the following year is not required to file a statement to  
 29 apply for the credit in the following year. However, an individual  
 30 who receives a credit under this section in a particular year and  
 31 who becomes ineligible for the credit in the following year shall  
 32 notify the auditor of the county in which the homestead is located  
 33 of the individual's ineligibility not later than sixty (60) days after  
 34 the individual becomes ineligible.  
 35 SECTION 69. IC 6-1.1-51.3-7 IS ADDED TO THE INDIANA  
 36 CODE AS A NEW SECTION TO READ AS FOLLOWS  
 37 [EFFECTIVE JANUARY 1, 2026 (RETROACTIVE)]: Sec. 7. A trust  
 38 is entitled to a credit under section 1, 2, 5, or 6 of this chapter for  
 39 real property owned by the trust and occupied by an individual if  
 40 the county auditor determines that the individual:  
 41 (1) upon verification in the body of the deed or otherwise,  
 42 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 6-3-3-15 IS ADDED TO THE INDIANA CODE  
 30 AS A **NEW SECTION** TO READ AS FOLLOWS [EFFECTIVE  
 31 JANUARY 1, 2026 (RETROACTIVE)]: **Sec. 15. (a) This section**  
 32 **applies to taxable years beginning after December 31, 2025.**

33                   **(b) Each taxable year a taxpayer is entitled to a credit against**  
 34 **the individual's adjusted gross income tax liability in an amount**  
 35 **equal to fifteen dollars (\$15) for each member of the taxpayer's**  
 36 **household who is a female between nine (9) and fifty (50) years of**  
 37 **age.**

38                   **(c) A taxpayer is entitled to a refund of any unused credit**  
 39 **amount.**

40                   SECTION 72. IC 6-3.1-38-4, AS ADDED BY P.L.203-2023,  
 41 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 42 JANUARY 1, 2026 (RETROACTIVE)]: Sec. 4. (a) Subject to

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1 **subsection (c) and** section 7 of this chapter, a qualified taxpayer may  
 2 claim a credit against the qualified taxpayer's state tax liability for a  
 3 qualified contribution for a qualified taxpayer with less than fifty (50)  
 4 employees, **if the amount provided toward the health**  
 5 **reimbursement arrangement is equal to or greater than the level**  
 6 **of benefits provided in the previous benefit year, or if the amount**  
 7 **the employer contributes toward the health reimbursement**  
 8 **arrangement equals the same amount contributed per covered**  
 9 **individual toward the employer provided health insurance plan**  
 10 **during the previous benefit year. up to four hundred dollars (\$400)**  
 11 **in the first year per covered employee if the amount provided toward**  
 12 **the health reimbursement arrangement is equal to or greater than either**  
 13 **the level of benefits provided in the previous benefit year, or if the**  
 14 **amount the employer contributes toward the health reimbursement**  
 15 **arrangement equals the same amount contributed per covered**  
 16 **individual toward the employer provided health insurance plan during**  
 17 **the previous benefit year. The credit under this section decreases to two**  
 18 **hundred dollars (\$200) per covered employee in the second year.**

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

- 20 **(1) the amount contributed by the employer toward the**  
 21 **health reimbursement arrangement during the taxable year;**  
 22 **or**  
 23 **(2) the following:**

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

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

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

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

36 SECTION 73. IC 6-3.1-38-4.5 IS ADDED TO THE INDIANA  
 37 CODE AS A NEW SECTION TO READ AS FOLLOWS  
 38 [EFFECTIVE JANUARY 1, 2026 (RETROACTIVE)]: **Sec. 4.5. For**  
 39 **a taxable year beginning after December 31, 2025, if a pass through**  
 40 **entity is entitled to a credit under section 4 of this chapter but does**  
 41 **not have state tax liability against which the tax credit may be**  
 42 **applied, a shareholder, partner, or member of the pass through**

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1 **entity is entitled to a tax credit equal to:**

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

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

7 SECTION 74. IC 6-3.1-38-7, AS ADDED BY P.L.203-2023,  
8 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
9 JANUARY 1, 2026 (RETROACTIVE)]: Sec. 7. (a) The amount of tax  
10 credits granted under this chapter may not exceed ten million dollars  
11 (\$10,000,000) in any ~~taxable~~ **calendar** year.

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

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

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

29 SECTION 75. IC 6-3.6-1-1.5, AS AMENDED BY P.L.68-2025,  
30 SECTION 92, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
31 JULY 1, 2028]: Sec. 1.5. (a) In counties that adopted a homestead  
32 credit under IC 6-3.5-6-13 (before its repeal January 1, 2017), the  
33 transition from the former taxes to the taxes governed under this article  
34 shall include the transition of the homestead credit under IC 6-3.5-6-13  
35 (before its repeal January 1, 2017) to a property tax relief rate under  
36 IC 6-3.6-5 (before its expiration).

37 (b) To accomplish the transition under this section, the department  
38 of local government finance shall determine the portion of the income  
39 tax rate under IC 6-3.5-6-8 (before its repeal January 1, 2017) that is  
40 attributable to the homestead credit approved under IC 6-3.5-6-13  
41 (before its repeal January 1, 2017) and shall allocate that portion of the  
42 income tax rate that is attributable to the homestead credit under

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1 IC 6-3.5-6-13 (before its repeal January 1, 2017) to the property tax  
 2 relief rate under IC 6-3.6-5 (before its expiration).

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

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

9 SECTION 76. IC 6-3.6-1-3, AS AMENDED BY P.L.68-2025,  
 10 SECTION 93, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 11 JULY 1, 2028]: Sec. 3. (a) Except to the extent that taxes imposed in  
 12 a county under or determined under:

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

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

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

24 SECTION 77. IC 6-3.6-2-2, AS AMENDED BY P.L.68-2025,  
 25 SECTION 95, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 26 JANUARY 1, 2029]: Sec. 2. "Adjusted gross income" has the meaning  
 27 set forth in IC 6-3-1-3.5. However:

28 (1) in the case of a resident local taxpayer of Perry County, **or a**  
 29 **resident of a municipality located in Perry County in the case**  
 30 **of a local income tax imposed under IC 6-3.6-6-22**, the term  
 31 does not include adjusted gross income described in  
 32 IC 6-3.6-8-7; and

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

- 36 (A) is apportioned to Indiana under IC 6-3-2-2.7 or
- 37 IC 6-3-2-3.2; and
- 38 (B) is paid to the individual as compensation for services
- 39 rendered in the county (or municipality in the case of a local
- 40 income tax imposed under IC 6-3.6-6-22) as a team member
- 41 or race team member.

42 SECTION 78. IC 6-3.6-2-7.4, AS AMENDED BY P.L.68-2025,

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

9 SECTION 79. IC 6-3.6-2-13, AS AMENDED BY P.L.68-2025,  
 10 SECTION 100, IS AMENDED TO READ AS FOLLOWS  
 11 [EFFECTIVE JANUARY 1, 2029]: Sec. 13. "Local taxpayer" means  
 12 any of the following:

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

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

28 (3) As it relates to a particular county **(or municipality in the**  
 29 **case of a local income tax imposed under IC 6-3.6-6-22)**, **and**  
 30 **only for purposes of a rate imposed by a county under**  
 31 **~~6-3.6-6-2(b)(3)~~**; the term includes an individual who:

32 (A) has income apportioned to Indiana as:

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

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

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

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

39 SECTION 80. IC 6-3.6-2-15, AS AMENDED BY P.L.68-2025,  
 40 SECTION 101, IS AMENDED TO READ AS FOLLOWS  
 41 [EFFECTIVE JANUARY 1, 2029]: Sec. 15. "Resident local taxpayer",  
 42 as it relates to a particular county (or municipality in the case of a local

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1 income tax imposed under IC 6-3.6-6-22), means any local taxpayer  
 2 who resides in that county (or municipality in the case of a local  
 3 income tax imposed under IC 6-3.6-6-22) on the date specified in  
 4 IC 6-3.6-8-3. **For purposes of a local income tax rate imposed by a**  
 5 **county under IC 6-3.6-2(b)(4), the term means an individual who**  
 6 **resides in the part of the county for which the county may impose**  
 7 **a rate under IC 6-3.6-2(b)(4) on the date specified in IC 6-3.6-8-3.**

8 SECTION 81. IC 6-3.6-2-16.5 IS ADDED TO THE INDIANA  
 9 CODE AS A NEW SECTION TO READ AS FOLLOWS  
 10 [EFFECTIVE JULY 1, 2026]: **Sec. 16.5. "State GIS officer" has the**  
 11 **meaning set forth in IC 4-23-7.3-10.**

12 SECTION 82. IC 6-3.6-3-2, AS AMENDED BY P.L.159-2020,  
 13 SECTION 54, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 14 JULY 1, 2026]: Sec. 2. (a) An adopting body or, if authorized by this  
 15 article, another governmental entity that is not an adopting body, may  
 16 take an action under this article only by ordinance, unless this article  
 17 permits the action to be taken by resolution.

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

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

39 (d) The department of local government finance shall prescribe the  
 40 procedures to be used by the adopting body or governmental entity for  
 41 submitting to the department the notice, the adopting ordinance or  
 42 resolution, and the vote results on an ordinance or resolution. The

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1 department of local government finance shall notify the submitting  
 2 entity within thirty (30) days after submission whether the department  
 3 has received the necessary information required by the department. A  
 4 final action taken by an adopting body or governmental entity under  
 5 this article to impose a new tax or amend an existing tax is not effective  
 6 until the department of local government finance notifies the adopting  
 7 body or governmental entity that it has received the required  
 8 information from the submitting entity.

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

13 SECTION 83. IC 6-3.6-3-2.5 IS ADDED TO THE INDIANA  
 14 CODE AS A NEW SECTION TO READ AS FOLLOWS  
 15 [EFFECTIVE JULY 1, 2027]: **Sec. 2.5. (a) As used in this section,**  
 16 **"debt service obligations" refers to:**

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

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

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

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

25 **(b) Before August 1 of each calendar year, the fiscal officer of**  
 26 **each county, city, and town shall provide the department of local**  
 27 **government finance with the total amount of the county's, city's, or**  
 28 **town's debt service obligations payable from local income tax**  
 29 **revenues that will be due in the ensuing calendar year and, upon**  
 30 **request by the department of local governing finance, any**  
 31 **additional ensuing calendar years.**

32 **(c) The department of local government finance shall annually**  
 33 **determine whether each county, city, or town with debt service**  
 34 **obligations due in the ensuing year has timely submitted to the**  
 35 **department of local government finance the information required**  
 36 **under this section.**

37 SECTION 84. IC 6-3.6-3-3, AS AMENDED BY P.L.68-2025,  
 38 SECTION 103, IS AMENDED TO READ AS FOLLOWS  
 39 [EFFECTIVE JULY 1, 2028]: **Sec. 3. (a) Except as provided in**  
 40 **subsection (f), an ordinance adopted by a county under this article takes**  
 41 **effect as provided in this section.**

42 **(b) An ordinance that adopts, increases, decreases, or rescinds a**

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1 tax or a tax rate takes effect as follows:

2 (1) An ordinance adopted on or before October 1 of a calendar

3 year shall take effect on January 1 of the calendar year that

4 immediately succeeds the year in which the ordinance is

5 adopted.

6 (2) An ordinance adopted after October 1 of a calendar year shall

7 take effect on January 1 of the second succeeding calendar year

8 following the year the ordinance is adopted.

9 However, an ordinance adopted to impose a tax rate under

10 IC 6-3.6-6-2(b)(3) or IC 6-3.6-6-2(b)(4) must be adopted on or before

11 October 1 of a calendar year.

12 (c) An ordinance that grants, increases, decreases, rescinds, or

13 changes a credit against the property tax liability of a taxpayer under

14 IC 6-3.6-5 (before its expiration) takes effect as follows:

15 (1) An ordinance adopted after December 31 of the immediately

16 preceding year and before November 2 of the current year takes

17 effect on January 1 of, and applies to property taxes first due and

18 payable in, the year immediately following the year in which the

19 ordinance is adopted.

20 (2) An ordinance adopted after November 1 of the current year

21 and before January 1 of the immediately succeeding year takes

22 effect on January 1 of, and applies to property taxes first due and

23 payable in, the year that follows the current year by two (2)

24 years.

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

26 (d) An ordinance that grants, increases, decreases, rescinds, or

27 changes a distribution or allocation of taxes takes effect as follows:

28 (1) An ordinance adopted on or before October 1 of a calendar

29 year shall take effect on January 1 of the calendar year that

30 immediately succeeds the year in which the ordinance is

31 adopted.

32 (2) An ordinance adopted after October 1 of a calendar year shall

33 take effect on January 1 of the second succeeding calendar year

34 following the year the ordinance is adopted.

35 (e) An ordinance not described in subsections (b) through (d) takes

36 effect as provided under IC 36 for other ordinances of the

37 governmental entity adopting the ordinance.

38 (f) An ordinance described in section 7(e) or 7.5(e) of this chapter

39 that changes a tax rate or changes the allocation of revenue received

40 from a tax rate does not take effect as provided under this section if the

41 county adopting body fails to meet the required deadlines for notice

42 described in section 7(e) or 7.5(e) of this chapter. If an ordinance does

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1 not take effect, the tax rate or allocation, as applicable, that is subject  
2 to the proposed change in the ordinance shall be the lesser of the:

- 3 (1) applicable distribution schedule for the certified distribution
- 4 for the upcoming calendar year; or
- 5 (2) applicable distribution schedule for the certified distribution
- 6 for the current calendar year;

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

10 SECTION 85. IC 6-3.6-3-4, AS AMENDED BY P.L.68-2025,  
11 SECTION 105, IS AMENDED TO READ AS FOLLOWS  
12 [EFFECTIVE JULY 1, 2028]: Sec. 4. (a) Except for a tax rate that has  
13 an expiration date, and except as provided in section 3(f) of this chapter  
14 (before its expiration), a tax rate remains in effect until the effective  
15 date of an ordinance that increases, decreases, or rescinds that tax rate.

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

18 (c) A local income tax expenditure tax rate that is imposed in a  
19 county under IC 6-3.6-6 continues in effect after December 31, ~~2027;~~  
20 **2028**, only if the adopting body adopts an ordinance to renew the  
21 expenditure tax rate beginning January 1, ~~2028;~~ **2029**. **However, if**  
22 **there are bonds or leases outstanding that are payable from a tax**  
23 **imposed under IC 6-3.6-6, the expenditure tax rate for the county**  
24 **beginning January 1, 2029, under IC 6-3.6-2(b)(1) shall be at**  
25 **least the minimum tax rate necessary to produce one and**  
26 **twenty-five hundredths (1.25) times the sum of the:**

- 27 (1) highest annual outstanding debt service;
- 28 (2) highest annual lease payments; and
- 29 (3) any amount required under the agreements for the bonds
- 30 or leases to be deposited in a sinking fund or other reserve;

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

40 SECTION 86. IC 6-3.6-3-5, AS AMENDED BY P.L.223-2025,  
41 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
42 UPON PASSAGE]: Sec. 5. (a) The auditor of a county shall record all

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1 votes taken on ordinances presented for a vote under this article and  
 2 not more than ten (10) days after the vote, send a certified copy of the  
 3 results to:

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

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

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

15 (c) This subsection applies only to a county with a single voting  
 16 bloc that proposes to increase (but not decrease) a tax rate in the  
 17 county. The county auditor may cease sending certified copies of the  
 18 votes on the local income tax council voting as a whole under section  
 19 9.5 of this chapter after the county auditor sends a certified copy of  
 20 results showing that the individuals who sit on the fiscal bodies of the  
 21 county, cities, and towns that are members of the local income tax  
 22 council have cast a majority of the votes on the local income tax  
 23 council voting as a whole under section 9.5 of this chapter for or  
 24 against the proposed ordinance. This subsection expires May 31, ~~2027~~  
 25 **2028**.

26 SECTION 87. IC 6-3.6-3-5, AS AMENDED BY P.L.223-2025,  
 27 SECTION 5, AND AS AMENDED BY P.L.68-2025, SECTION 106,  
 28 AND AS AMENDED BY THE TECHNICAL CORRECTIONS BILL  
 29 OF THE 2026 GENERAL ASSEMBLY, IS CORRECTED AND  
 30 AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2028]:  
 31 Sec. 5. ~~(a)~~ The auditor of a county *(or the fiscal officer of a*  
 32 *municipality in the case of a local income tax imposed under*  
 33 *IC 6-3.6-6-22)* shall record all votes taken on ordinances presented for  
 34 a vote under this article and not more than ten (10) days after the vote,  
 35 send a certified copy of the results to:

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

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

41 *(b) Except as provided in subsection (c), this subsection applies*  
 42 *only to a county that has a local income tax council. The county*

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1 auditor may cease sending certified copies after the county auditor  
2 sends a certified copy of results showing that members of the local  
3 income tax council have cast a majority of the votes on the local  
4 income tax council for or against the proposed ordinance.

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

15 SECTION 88. IC 6-3.6-3-6, AS AMENDED BY P.L.223-2025,  
16 SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
17 UPON PASSAGE]: Sec. 6. (a) This section applies to a county in  
18 which the county adopting body is a local income tax council.

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

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

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

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

41 (f) On or before January 1 of each year, the county auditor shall  
42 certify to each member of the local income tax council the number of

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1 votes, rounded to the nearest one hundredth (0.01), each member has  
2 for that year.

3 (g) This subsection applies only to a county with a single voting  
4 bloc. On or before January 1 of each year, in addition to the  
5 certification to each member of the local income tax council under  
6 subsection (f), the county auditor shall certify to each individual who  
7 sits on the fiscal body of each county, city, or town that is a member of  
8 the local income tax council the number of votes, rounded to the  
9 nearest one hundredth (0.01), each individual has under subsection (e)  
10 for that year. This subsection expires May 31, ~~2027~~. **2028**.

11 SECTION 89. IC 6-3.6-3-8, AS AMENDED BY P.L.223-2025,  
12 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
13 UPON PASSAGE]: Sec. 8. (a) This section applies to a county in  
14 which the county adopting body is a local income tax council.

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

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

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

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

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1 the fiscal body of the county, city, or town as the voting record for that  
 2 individual either for or against the ordinance being proposed for  
 3 consideration by the local income tax council as a whole under section  
 4 9.5 of this chapter. This subsection expires May 31, ~~2027~~. **2028**.

5 (f) This subsection applies only to a county with a single voting  
 6 bloc that proposes to increase (but not decrease) a tax rate in the  
 7 county. The county auditor shall deliver copies of a proposed ordinance  
 8 the auditor receives under subsection (e) to the fiscal officers of all  
 9 members of the local income tax council (other than the member  
 10 proposing the ordinance under subsection (e)) within ten (10) days  
 11 after receipt. Subject to subsection (h), once a member receives a  
 12 proposed ordinance from the county auditor, the member shall vote on  
 13 it within thirty (30) days after receipt. This subsection expires May 31,  
 14 ~~2027~~. **2028**.

15 (g) This subsection applies only to a county with a single voting  
 16 bloc that proposes to increase (but not decrease) a tax rate in the  
 17 county. The fiscal body of each county, city, or town voting on a  
 18 resolution to propose an ordinance under subsection (e), or voting on  
 19 a proposed ordinance being considered by the local income tax council  
 20 as a whole under section 9.5 of this chapter, must take a roll call vote  
 21 on the resolution or the proposed ordinance. If an individual who sits  
 22 on the fiscal body is absent from the meeting in which a vote is taken  
 23 or abstains from voting on the resolution or proposed ordinance, the  
 24 fiscal officer of the county, city, or town shall nevertheless consider  
 25 that individual's vote as a "no" vote against the resolution or the  
 26 proposed ordinance being considered, whichever is applicable, for  
 27 purposes of the vote tally under this section and shall note on the vote  
 28 tally that the individual's "no" vote is due to absence or abstention. The  
 29 fiscal body of each county, city, or town shall certify the roll call vote  
 30 on a resolution or a proposed ordinance, either for or against, to the  
 31 county auditor as set forth under this chapter. This subsection expires  
 32 May 31, ~~2027~~. **2028**.

33 (h) This subsection applies only to a county with a single voting  
 34 bloc that proposes to increase (but not decrease) a tax rate in the  
 35 county. If, before the elapse of thirty (30) days after receipt of a  
 36 proposed ordinance under subsection (e), the county auditor notifies  
 37 the member that the individuals who sit on the fiscal bodies of the  
 38 county, cities, and towns that are members of the local income tax  
 39 council have cast a majority of the votes on the local income tax  
 40 council for or against a proposed ordinance voting as a whole under  
 41 section 9.5 of this chapter, the member need not vote on the proposed  
 42 ordinance under subsection (e). This subsection expires May 31, ~~2027~~.

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1 **2028.**

2 SECTION 90. IC 6-3.6-3-9.5, AS AMENDED BY P.L.68-2025,  
3 SECTION 111, AND P.L.223-2025, SECTION 8, IS AMENDED TO  
4 READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 9.5. (a)

5 This section applies to a county:

6 (1) in which the county adopting body is a local income tax  
7 council;

8 (2) that is a county with a single voting bloc; and

9 (3) that proposes to increase a tax rate in the county.

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

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

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

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

22 SECTION 91. IC 6-3.6-3-12 IS ADDED TO THE INDIANA  
23 CODE AS A NEW SECTION TO READ AS FOLLOWS  
24 [EFFECTIVE JULY 1, 2028]: **Sec. 12. (a) This section applies to an  
25 ordinance adopted under this article after June 30, 2028.**

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

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

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

32 (3) IC 6-3.6-7;

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

41 (c) **This subsection applies only to an ordinance adopted  
42 between January 1 and August 2 of a calendar year or October 2**

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1 and December 31 of a calendar year. Not later than thirty (30) days  
2 after receiving a notification under subsection (b) from the  
3 department of local government finance, the adopting body may  
4 adopt an ordinance correcting the applicable tax rate or tax rates.

5 The following apply to an ordinance adopted under this subsection:

6 (1) Any statutory requirements for an ordinance that  
7 otherwise apply to an ordinance adopted under this article  
8 to impose a local income tax rate also apply to an ordinance  
9 adopted under this subsection.

10 (2) If the tax rate or tax rates adopted in an ordinance  
11 adopted under this subsection still exceed a maximum  
12 allowable tax rate or maximum allowable aggregate tax rate,  
13 the ordinance adopted under this subsection shall be  
14 considered void and treated as if the adopting body did not  
15 adopt any additional ordinance under this subsection.

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

19 (d) If an adopting body adopts an ordinance between August  
20 3 and October 1 of a calendar year to impose a local income tax  
21 that exceeds a maximum allowable tax rate or rates, fails to adopt  
22 an ordinance correcting the applicable tax rate or tax rates under  
23 subsection (c), or, the ordinance is described in subsection (c)(2),  
24 the tax rate or rates will be reduced according to the following:

25 (1) If a tax rate or tax rates imposed pursuant to  
26 IC 6-3.6-6-2(b)(1) through IC 6-3.6-6-2(b)(4), IC 6-3.6-6-22,  
27 or IC 6-3.6-7 exceed the maximum allowable rate specified  
28 in IC 6-3.6-6-2(b)(1) through IC 6-3.6-6-2(b)(4),  
29 IC 6-3.6-6-22, or IC 6-3.6-7, the tax rate or tax rates that  
30 exceed the maximum allowable rate shall be reduced to the  
31 maximum allowable rate without further action by the  
32 adopting body.

33 (2) If the aggregate tax rates imposed pursuant to  
34 IC 6-3.6-6-2(b)(1) through IC 6-3.6-6-2(b)(3) exceed the  
35 maximum allowable aggregate rate in IC 6-3.6-6-2(c), the tax  
36 rates shall be reduced without any further action by the  
37 adopting body according to the following:

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

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

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

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

16 SECTION 92. IC 6-3.6-5-7, AS ADDED BY P.L.68-2025,  
17 SECTION 116, IS AMENDED TO READ AS FOLLOWS  
18 [EFFECTIVE JULY 1, 2028]: Sec. 7. This chapter expires December  
19 31, ~~2027~~ 2028.

20 SECTION 93. IC 6-3.6-6-2, AS AMENDED BY P.L.68-2025,  
21 SECTION 118, IS AMENDED TO READ AS FOLLOWS  
22 [EFFECTIVE JULY 1, 2028]: Sec. 2. (a) This section applies to all  
23 counties.

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

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

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

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

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1 subsection (c).  
 2 (4) A tax rate not to exceed one and two-tenths percent (1.2%)  
 3 for general purpose revenue for municipal services for  
 4 distribution to municipalities located within the county that are  
 5 not eligible to adopt a municipal tax rate under section 22 of this  
 6 chapter. ~~or that have made an election under section 23(b)(3) of~~  
 7 ~~this chapter to be treated as such.~~ **The adopting body shall**  
 8 **identify in the ordinance each taxing district in which the tax**  
 9 **rate under this subdivision is imposed.**  
 10 (c) The combined component rates imposed by an adopting body  
 11 under subsection (b)(1) through (b)(3) shall not exceed one and  
 12 seven-tenths percent (1.7%).  
 13 (d) A tax rate adopted under subsection (b)(4) may only be  
 14 imposed on taxpayers who do not reside in a municipality that is  
 15 eligible to adopt a municipal tax rate under section 22 of this chapter.  
 16 **In the case of a team member or race team member described in**  
 17 **IC 6-3.6-2-13(3), a tax rate adopted under subsection (b)(4) may**  
 18 **only be imposed on services performed as a team member or race**  
 19 **team member at a location if the county could impose the tax rate**  
 20 **on an individual residing at that location.**  
 21 (e) ~~Beginning after December 31, 2030;~~ A tax rate imposed under  
 22 subsection (b) ~~shall expire~~ **expires** on December 31, **2029, and on**  
 23 **December 31** of each calendar year **thereafter**. An adopting body  
 24 wishing to continue, increase, or decrease a tax rate ~~in~~ **for** the  
 25 succeeding year must pass an ordinance to readopt a tax rate in  
 26 accordance with IC 6-3.6-3-3. This subsection applies regardless of  
 27 whether there is a modification in the tax rate or the component rates  
 28 or the rates are unchanged from the previous year.  
 29 (f) **Notwithstanding subsection (e) or any other provision of**  
 30 **this article, if there are bonds, leases, or other obligations payable**  
 31 **from a tax imposed under subsection (b)(1) or (b)(4), the**  
 32 **expenditure tax rate for the county under subsection (b)(1) or**  
 33 **(b)(4) for a calendar year shall be the minimum tax rate necessary**  
 34 **to produce one and twenty-five hundredths (1.25) times the sum of**  
 35 **the:**  
 36 (1) **highest annual outstanding debt service;**  
 37 (2) **highest annual lease payments; and**  
 38 (3) **any amount required under the agreements for the bonds**  
 39 **or leases to be deposited in a sinking fund or other reserve;**  
 40 **for the calendar year payable from the applicable component rate.**  
 41 SECTION 94. IC 6-3.6-6-3, AS AMENDED BY P.L.137-2024,  
 42 SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE

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1 JULY 1, 2026]: Sec. 3. (a) Revenue raised from a tax imposed under  
 2 this chapter shall be treated as follows:  
 3 (1) To make the following distributions:  
 4 (A) If an ordinance described in section 2.5 of this chapter  
 5 is in effect in a county, to make a distribution to the county  
 6 equal to the amount of revenue generated by the rate  
 7 imposed under section 2.5 of this chapter.  
 8 (B) If an ordinance described in section 2.6 of this chapter  
 9 is in effect in a county, to make a distribution to the county  
 10 equal to the amount of revenue generated by the rate  
 11 imposed under section 2.6 of this chapter.  
 12 (C) If an ordinance described in section 2.7 of this chapter  
 13 is in effect in a county, to make a distribution to the county  
 14 equal to the amount of revenue generated by the rate  
 15 imposed under section 2.7 of this chapter.  
 16 (D) If an ordinance described in section 2.8 of this chapter  
 17 is in effect in a county, to make a distribution to the county  
 18 equal to the amount of revenue generated by the rate  
 19 imposed under section 2.8 of this chapter.  
 20 **(E) If an ordinance described in section 2.9 of this**  
 21 **chapter (before its repeal) is in effect in a county, to**  
 22 **make a distribution to the county equal to the amount of**  
 23 **revenue generated by the rate imposed under section 2.9**  
 24 **of this chapter.**  
 25 **(F) If an ordinance described in section 3.1 of this**  
 26 **chapter (before its expiration) is in effect in a county, to**  
 27 **make a distribution to the county equal to the amount of**  
 28 **revenue generated by the rate imposed under section 3.1**  
 29 **of this chapter.**  
 30 (2) After making the distributions described in subdivision (1),  
 31 if any, to make distributions to school corporations and civil  
 32 taxing units in counties that formerly imposed a tax under  
 33 IC 6-3.5-1.1 (repealed). The revenue categorized from the next  
 34 twenty-five hundredths percent (0.25%) of the rate for a former  
 35 tax adopted under IC 6-3.5-1.1 (repealed) shall be allocated to  
 36 school corporations and civil taxing units. The amount of the  
 37 allocation to a school corporation or civil taxing unit shall be  
 38 determined using the allocation amounts for civil taxing units  
 39 and school corporations in the county.  
 40 (3) After making the distributions described in subdivisions (1)  
 41 and (2), the remaining revenue shall be treated as additional  
 42 revenue (referred to as "additional revenue" in this chapter).

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1 Additional revenue may not be considered by the department of  
 2 local government finance in determining:  
 3 (A) any taxing unit's maximum permissible property tax  
 4 levy limit under IC 6-1.1-18.5; or  
 5 (B) the approved property tax rate for any fund.  
 6 (b) In the case of a civil taxing unit that has pledged the tax from  
 7 additional revenue for the payment of bonds, leases, or other  
 8 obligations as reported by the civil taxing unit under IC 5-1-18, the  
 9 adopting body may not, under section 4 of this chapter, reduce the  
 10 proportional allocation of the additional revenue that was allocated in  
 11 the preceding year if the reduction for that year would result in an  
 12 amount less than the amount necessary for the payment of bonds,  
 13 leases, or other obligations payable or required to be deposited in a  
 14 sinking fund or other reserve in that year for the bonds, leases, or other  
 15 obligations for which the tax from additional revenue has been pledged.  
 16 To inform an adopting body with regard to allocations that affect the  
 17 payment of bonds, leases, or other obligations, a taxing unit may  
 18 provide the adopting body with information regarding any outstanding  
 19 bonds, leases, or other obligations that are secured by additional  
 20 revenue. The information must be provided before the date of the  
 21 public hearing at which the adopting body may change the allocation  
 22 of additional revenue under section 4 of this chapter.  
 23 SECTION 95. IC 6-3.6-6-3.1, AS ADDED BY P.L.68-2025,  
 24 SECTION 125, IS AMENDED TO READ AS FOLLOWS  
 25 [EFFECTIVE JULY 1, 2025 (RETROACTIVE)]: Sec. 3.1. (a) As used  
 26 in this section, "homestead" has the meaning set forth in  
 27 IC 6-1.1-12-37.  
 28 (b) A county fiscal body may adopt an ordinance to impose a tax  
 29 rate for the purpose of funding property tax homestead credits to reduce  
 30 the property tax liability of taxpayers who own homesteads that are:  
 31 (1) located in the county; and  
 32 (2) eligible for a credit under IC 6-1.1-20.6-7.5 that limits the  
 33 taxpayer's property tax liability for the property to one percent  
 34 (1%).  
 35 Revenue collected from a tax rate imposed under this section may only  
 36 be used to fund replacement of the county's property tax levy. Property  
 37 taxes imposed due to a referendum in which a majority of the voters in  
 38 the taxing unit imposing the property taxes approved the property taxes  
 39 are not eligible for a credit under this section.  
 40 (c) The tax rate must be in increments of one-hundredth of one  
 41 percent (0.01%) and may not exceed three-tenths of one percent  
 42 (0.3%).

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1 (d) A tax imposed under this section shall be treated as property  
2 taxes for all purposes. However, the department of local government  
3 finance may not reduce:

4 (1) any taxing unit's maximum permissible property tax levy  
5 limit under IC 6-1.1-18.5; or

6 (2) the approved property tax levy or rate for any fund;  
7 by the amount of any credits granted under this chapter.

8 (e) The homestead credits shall be applied to the net property taxes  
9 due on the homestead after the application of any credit granted under  
10 IC 6-1.1, including any credit granted under IC 6-1.1-20.4 and  
11 IC 6-1.1-20.6.

12 (f) The property tax credits must be applied uniformly to provide  
13 a homestead credit for homesteads in the county.

14 (g) The county auditor shall allocate the amount of revenue  
15 applied as tax credits under this section to the taxing units that imposed  
16 the eligible property taxes against which the credits are applied.

17 (h) The department of local government finance shall assist county  
18 fiscal bodies and county auditors in calculating credit percentages and  
19 amounts.

20 (i) Notwithstanding any provision to the contrary in this chapter,  
21 a tax imposed under this section:

22 (1) may be imposed on the adjusted gross income of taxpayers  
23 before January 1, ~~2028~~; **2029**; and

24 (2) terminates and may not be imposed on the adjusted gross  
25 income of taxpayers after December 31, ~~2027~~; **2028**.

26 (j) This section expires January 1, ~~2028~~; **2029**.

27 SECTION 96. IC 6-3.6-6-4, AS AMENDED BY P.L.68-2025,  
28 SECTION 126, IS AMENDED TO READ AS FOLLOWS  
29 [EFFECTIVE JULY 1, 2028]: Sec. 4. (a) General purpose revenue  
30 raised from a tax rate under section 2(b)(1) of this chapter must be  
31 distributed directly to the county. The money may be used by the  
32 county fiscal body for any of the purposes of the county, including for:

- 33 (1) public safety, including funding for a PSAP;
- 34 (2) economic development purposes described in IC 6-3.6-10;
- 35 (3) acute care hospitals;
- 36 (4) correctional facilities and rehabilitation facilities; **and**
- 37 (5) county staff expenses of the state judicial system. ~~and~~
- 38 (6) ~~homestead property tax credits to fund replacement of the~~  
39 ~~county's property tax levy.~~

40 (b) **Subject to sections 3 and 5 of this chapter**, the adopting body  
41 shall, by ordinance, determine how general purpose revenue from a tax  
42 under this chapter must be allocated in subsequent years. The

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

5 SECTION 97. IC 6-3.6-6-4.3, AS ADDED BY P.L.68-2025,  
 6 SECTION 127, IS AMENDED TO READ AS FOLLOWS  
 7 [EFFECTIVE JULY 1, 2028]: Sec. 4.3. (a) Revenue raised from a tax  
 8 rate for fire protection ~~and or~~ emergency medical services under  
 9 section 2(b)(2) of this chapter shall be distributed by the county ~~to~~  
 10 **among the county and** each fire protection district, fire protection  
 11 territory, and municipal fire department located within the county **that**  
 12 **provides fire protection, emergency medical services, or both in the**  
 13 **county. Except as provided in subsection (b),** at the discretion of the  
 14 county council, the county may distribute revenue raised from a tax rate  
 15 for fire protection ~~and or~~ emergency medical services under section  
 16 2(b)(2) of this chapter to township fire departments and volunteer fire  
 17 departments **that provide fire protection, emergency medical**  
 18 **services, or both in the county.**

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

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

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

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

- 38 (A) the STEP TWO amount, multiplied by
- 39 (B) twenty (20).

40 STEP FOUR: For each provider of fire protection and  
 41 emergency medical services located within the county that is  
 42 eligible to receive revenue under this section, determine the sum

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of:

- (A) the STEP ONE result; plus
- (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**

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

11 SECTION 98. IC 6-3.6-6-4.5, AS AMENDED BY THE  
 12 TECHNICAL CORRECTIONS BILL OF THE 2026 GENERAL  
 13 ASSEMBLY, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 14 JULY 1, 2028]: Sec. 4.5. (a) Revenue raised from a tax rate for  
 15 nonmunicipal civil taxing units under section 2(b)(3) of this chapter  
 16 may be distributed by the county to nonmunicipal civil taxing units  
 17 subject to the provisions of this section.

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

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

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

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

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

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

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

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

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

40 SECTION 99. IC 6-3.6-6-6.1, AS AMENDED BY THE  
41 TECHNICAL CORRECTIONS BILL OF THE 2026 GENERAL  
42 ASSEMBLY, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE

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1 JULY 1, 2028]; Sec. 6.1. (a) Revenue raised from a tax rate for certain  
 2 cities and towns under section 2(b)(4) of this chapter ~~may~~ **shall** be  
 3 distributed by the county ~~to those cities and towns~~ subject to the  
 4 provisions of this section **and according to the following formula:**

5 **STEP ONE: Determine the population of each city and town**  
 6 **located in the county, excluding the population of any**  
 7 **municipality that:**

8 (A) is eligible to impose a local income tax under section  
 9 22 of this chapter; and

10 (B) did not make an election under section 23(b)(3) of  
 11 this chapter.

12 **STEP TWO: Determine the aggregate sum of the STEP ONE**  
 13 **results.**

14 **STEP THREE: Determine the sum of:**

15 (A) the STEP TWO result; plus

16 (B) the population of the unincorporated area of the  
 17 county.

18 **STEP FOUR: Divide the STEP TWO result by the STEP**  
 19 **THREE result.**

20 **STEP FIVE: Multiply the STEP FOUR result by one and**  
 21 **five-tenths (1.5), expressed as a percentage.**

22 **STEP SIX: Multiple the STEP FIVE result by the total**  
 23 **amount of revenue raised from the tax rate imposed under**  
 24 **section 2(b)(4) of this chapter.**

25 **STEP SEVEN: For each city and town located in the county**  
 26 **that adopted a resolution under subsection (d) for the year,**  
 27 **excluding any municipality that is eligible to impose a local**  
 28 **income tax under section 22 of this chapter and did not make**  
 29 **an election under section 23(b)(3) of this chapter, divide:**

30 (A) the STEP ONE result for the city or town; by

31 (B) the STEP TWO result.

32 **STEP EIGHT: To determine the amount to be allocated to**  
 33 **each city and town located in the county that adopted a**  
 34 **resolution under subsection (d) for the year, excluding any**  
 35 **municipality that is eligible to impose a local income tax**  
 36 **under section 22 of this chapter and did not make an election**  
 37 **under section 23(b)(3) of this chapter, multiply:**

38 (A) the STEP SEVEN result for the city or town; by

39 (B) the STEP SIX result.

40 **STEP NINE: Determine the aggregate sum of the STEP**  
 41 **EIGHT results for each city and town located in the county**  
 42 **that adopted a resolution under subsection (d) for the year,**

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

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

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

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

24 (g) Notwithstanding any provision to the contrary in this section;  
 25 if an adopting body that imposes a tax rate of one and two-tenths  
 26 percent (1.2%) under section 2(b)(1) of this chapter subsequently  
 27 adopts an ordinance to concurrently impose a tax rate under section  
 28 2(b)(4) of this chapter:

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

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

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

41 SECTION 100. IC 6-3.6-6-21.3, AS AMENDED BY P.L.68-2025,  
 42 SECTION 146, IS AMENDED TO READ AS FOLLOWS

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1 [EFFECTIVE JULY 1, 2028]: Sec. 21.3. (a) This section applies to  
2 distributions of revenue before January 1, ~~2028~~ **2029**. This section:

3 (1) does not apply to:

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

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

9 (2) applies only to the following:

10 (A) Any allocation or distribution of revenue under section  
11 3(a)(2) of this chapter (as in effect before July 1, ~~2027~~  
12 **2028**) that is made on the basis of property tax levies in  
13 counties that formerly imposed a tax under IC 6-3.5-1.1  
14 (before its repeal on January 1, 2017).

15 (B) Any allocation or distribution of revenue under section  
16 3(a)(3) of this chapter (as in effect before July 1, ~~2027~~  
17 **2028**) that is made on the basis of property tax levies in  
18 counties that formerly imposed a tax under IC 6-3.5-6  
19 (before its repeal on January 1, 2017).

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

21 (1) school corporations; or

22 (2) civil taxing units;

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

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

33 SECTION 101. IC 6-3.6-6-22, AS ADDED BY P.L.68-2025,  
34 SECTION 147, IS AMENDED TO READ AS FOLLOWS  
35 [EFFECTIVE JULY 1, 2028]: Sec. 22. (a) As used in this section,  
36 "municipality" means only a city or town that:

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

39 (2) in the case of a city or town whose population decreased in  
40 the most recent federal decennial census from three thousand  
41 five hundred (3,500) or more to less than three thousand five  
42 hundred (3,500), has elected by ordinance to continue to use its

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1 previous population of three thousand five hundred (3,500) or  
 2 more as set forth in section 23(b)(2) of this chapter for purposes  
 3 of the allocation determination under section 6.1 of this chapter.  
 4 The term does not include a city or town that has made an election  
 5 under section 23(b)(3) of this chapter.

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

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

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

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

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

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

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

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

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

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

38 (e) ~~Beginning after December 31, 2030;~~ A tax rate imposed under  
 39 subsection (b) ~~shall expire~~ **expires** on December 31, **2029, and on**  
 40 **December 31** of each calendar year **thereafter**. A municipality  
 41 wishing to continue, increase, or decrease a tax rate ~~in~~ **for** the  
 42 succeeding year must pass an ordinance to readopt a tax rate in

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1 accordance with IC 6-3.6-3-3.3. **However, if there are bonds, leases,**  
 2 **or other obligations payable from a tax imposed under subsection**  
 3 **(b) that remain outstanding and the municipality fails to adopt an**  
 4 **ordinance to continue the expenditure tax rate under this**  
 5 **subsection, the expenditure tax rate for the municipality for the**  
 6 **succeeding year, or until the maturity date of those debt**  
 7 **obligations, whichever is sooner, shall be the minimum tax rate**  
 8 **necessary to produce one and twenty-five hundredths (1.25) times**  
 9 **the sum of:**

- 10 (1) the highest annual outstanding debt service;
- 11 (2) the highest annual lease payments; and
- 12 (3) any amount required under the agreements for the bonds
- 13 or leases to be deposited in a sinking fund or other reserve;

14 **for the year.** This subsection applies regardless of whether there is a  
 15 modification in the tax rate or the rate is unchanged from the previous  
 16 year.

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

23 SECTION 102. IC 6-3.6-6-23, AS ADDED BY P.L.68-2025,  
 24 SECTION 148, IS AMENDED TO READ AS FOLLOWS  
 25 [EFFECTIVE JULY 1, 2028]: Sec. 23. (a) This section applies in  
 26 determining the population of a city or town for the purposes of this  
 27 chapter.

28 (b) The following apply:

29 (1) Except as provided in subdivisions (2) and (3), the  
 30 population of a city or town is the population of the city or town  
 31 that is reported by the 2020 federal decennial census.

32 (2) Beginning after ~~2030~~, **2032**, if the population of a city or  
 33 town

34 (A) increases from a population of less than three thousand  
 35 five hundred (3,500); as reported by the immediately  
 36 preceding federal decennial census; to a population of three  
 37 thousand five hundred (3,500) or more; as reported by the  
 38 most recent federal decennial census; or, if applicable; any  
 39 corrected population count (as defined in IC 1-1-3.5-1.5)  
 40 issued for the city or town in the year succeeding the most  
 41 recent federal decennial census; or

42 (B) decreases from a population of three thousand five

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

23 (3) This subdivision applies only to cities and towns with a  
 24 population of ~~more than~~ three thousand five hundred (3,500) **or**  
 25 **more** but less than seven thousand (7,000). Notwithstanding any  
 26 other provision, a fiscal body of a city or town may adopt an  
 27 ordinance to elect to be treated as if the city's or town's  
 28 population is less than three thousand five hundred (3,500) for  
 29 purposes of a county local income tax rate and distribution under  
 30 this chapter. An ordinance adopted under this subdivision shall  
 31 take effect on January 1 of the calendar year that immediately  
 32 succeeds the year in which the ordinance is adopted. The fiscal  
 33 officer of the city or town shall provide a certified copy of an  
 34 ordinance adopted under this subdivision to the department of  
 35 local government finance. An ordinance adopted by a city or  
 36 town under this subdivision is not revocable and shall ~~not expire~~  
 37 ~~following the next federal decennial census:~~ **expire December**  
 38 **31, 2032.**

39 SECTION 103. IC 6-3.6-7-0.5 IS ADDED TO THE INDIANA  
 40 CODE AS A **NEW** SECTION TO READ AS FOLLOWS  
 41 [EFFECTIVE JANUARY 1, 2029]: **Sec. 0.5. For taxable years**  
 42 **beginning after December 31, 2028, a tax rate imposed by a county**

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1 **under this chapter may be imposed on a local taxpayer only if the**  
2 **county could impose the tax rates in IC 6-3.6-6-2(b)(1) through**  
3 **IC 6-3.6-6-2(b)(3) on the local taxpayer.**

4 SECTION 104. IC 6-3.6-7-9, AS AMENDED BY P.L.68-2025,  
5 SECTION 149, IS AMENDED TO READ AS FOLLOWS  
6 [EFFECTIVE JULY 1, 2028]: Sec. 9. (a) This section applies only to  
7 Hancock County.

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

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

25 (1) the product of:

- 26 (A) the amount of revenue deposited by the county auditor  
27 in the library property tax replacement fund; multiplied by  
28 (B) a fraction described as follows:

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

35 (ii) The denominator of the fraction equals the sum of  
36 the total property taxes that would have been collected  
37 during the previous year from taxpayers located within  
38 the county by all public libraries that are eligible to  
39 receive property tax replacement credits under this  
40 section if the property tax replacement under this  
41 section had not been in effect; or

42 (2) the total property taxes that would otherwise be collected by

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1           the public library for the calendar year if the property tax  
 2           replacement credit under this section were not in effect.  
 3       The department of local government finance shall make any  
 4       adjustments necessary to account for the expansion of a library district.  
 5       However, a public library is eligible to receive property tax  
 6       replacement credits under this section only if it has entered into  
 7       reciprocal borrowing agreements with all other public libraries in the  
 8       county. If the total amount of tax revenue deposited by the county  
 9       auditor in the library property tax replacement fund for a calendar year  
 10       exceeds the total property tax liability that would otherwise be imposed  
 11       for public libraries in the county for the year, the excess must remain  
 12       in the library property tax replacement fund and may be used for library  
 13       property tax replacement purposes in the following calendar year.

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

35       (e) A public library shall treat property tax replacement credits  
 36       received during a particular calendar year under this section as a part  
 37       of the public library's property tax levy for each fund for that same  
 38       calendar year for purposes of fixing the public library's budget and for  
 39       purposes of the property tax levy limits imposed by IC 6-1.1-18.5.

40       (f) For the purpose of allocating tax revenue under IC 6-3.6-6 and  
 41       computing and distributing tax revenue under IC 6-5.5 or IC 6-6-5, the  
 42       property tax replacement credits that are received under this section

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1 shall be treated as though they were property taxes that were due and  
2 payable during that same calendar year.

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

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

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

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

23 SECTION 105. IC 6-3.6-7-14, AS AMENDED BY P.L.38-2021,  
24 SECTION 45, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
25 UPON PASSAGE]: Sec. 14. (a) This section applies only to Marshall  
26 County.

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

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

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

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

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

36 (A) jail facilities;

37 (B) juvenile court, detention, and probation facilities;

38 (C) other criminal justice facilities; and

39 (D) related buildings and parking facilities;

40 located in the county, including costs related to the demolition  
41 of existing buildings and the acquisition of land.

42 (2) Repay bonds issued or leases entered into for the purposes

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1 described in subdivision (1).  
 2 (d) The tax imposed under this section may be imposed only until  
 3 the last of the following dates:  
 4 (1) The date on which the purposes described in subsection  
 5 (c)(1) are completed.  
 6 (2) The date on which the last of any bonds issued (including any  
 7 refunding bonds) or leases described in subsection (c)(2) are  
 8 fully paid.  
 9 The term of the bonds issued (including any refunding bonds) or a  
 10 lease entered into under subsection (c)(2) may not exceed twenty (20)  
 11 years.  
 12 (e) Money accumulated from the tax under this section after the  
 13 tax imposed by this section is terminated shall be transferred to the  
 14 county jail fund to be established under subsection (f).  
 15 (f) The county auditor shall establish a county jail fund that shall  
 16 only be used for:  
 17 (1) maintenance of a jail facility; and  
 18 (2) costs otherwise incurred for the operation of the county  
 19 jail.  
 20 Money in the county jail fund shall not be used to issue new debt or  
 21 enter into leases, notwithstanding any other sections of this chapter.  
 22 SECTION 106. IC 6-3.6-7-27, AS AMENDED BY P.L.197-2016,  
 23 SECTION 63, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 24 JANUARY 1, 2028]: Sec. 27. (a) This section applies only to an  
 25 eligible county, as defined in IC 8-25-1-4.  
 26 (b) If the voters of the county approve a local public question  
 27 under IC 8-25-2, the fiscal body of the county may adopt an ordinance  
 28 to provide for the use of local income tax revenues ~~attributable to an~~  
 29 ~~additional tax rate imposed under IC 6-3.6-6~~ to fund a public  
 30 transportation project under IC 8-25. However, a county fiscal body  
 31 shall adopt an ordinance under this subsection if required by  
 32 IC 8-25-6-10 to impose an additional tax rate on the county taxpayers  
 33 (as defined in IC 8-24-1-10) who reside in a township in which the  
 34 voters approve a public transportation project in a local public question  
 35 held under IC 8-25-6. An ordinance adopted under this subsection must  
 36 specify an additional tax rate to be imposed in the county (or township  
 37 in the case of an additional rate required by IC 8-25-6-10) of at least  
 38 one-tenth percent (0.1%), but not more than twenty-five hundredths  
 39 percent (0.25%). If an ordinance is adopted under this subsection, the  
 40 amount of the certified distribution attributable to the additional tax  
 41 rate imposed under this subsection must be:  
 42 (1) retained by the county auditor;

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

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

9 SECTION 107. IC 6-3.6-8-3, AS ADDED BY P.L.243-2015,  
 10 SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 11 JULY 1, 2026]: Sec. 3. (a) For purposes of this article, an individual  
 12 shall be treated as a resident of the county in which the individual:

- 13 (1) maintains a home, if the individual maintains only one (1)
- 14 home in Indiana;
- 15 (2) if subdivision (1) does not apply, is registered to vote;
- 16 (3) if subdivision (1) or (2) does not apply, registers the
- 17 individual's personal automobile; or
- 18 (4) spent ~~the majority~~ **more** of the individual's time in Indiana
- 19 during the taxable year in question **compared to any other**  
 20 **county**, if subdivision (1), (2), or (3) does not apply.

21 (b) The residence or principal place of business or employment of  
 22 an individual is to be determined on January 1 of the calendar year in  
 23 which the individual's taxable year commences. If an individual  
 24 changes the location of the individual's residence or principal place of  
 25 employment or business to another county in Indiana during a calendar  
 26 year, the individual's liability for tax is not affected.

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

- 30 (1) changes the location of the individual's residence to a county
- 31 in which the individual begins employment or business at a
- 32 qualified economic development tax project (as defined in
- 33 IC 36-7-27-9); or
- 34 (2) changes the location of the individual's principal place of
- 35 employment or business to a qualified economic development
- 36 tax project and does not reside in another county in which a tax
- 37 is in effect;

38 the individual's adjusted gross income attributable to employment or  
 39 business at the qualified economic development tax project is taxable  
 40 only by the county containing the qualified economic development tax  
 41 project.

42 SECTION 108. IC 6-3.6-8-3, AS AMENDED BY P.L.68-2025,

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1 SECTION 151, IS AMENDED TO READ AS FOLLOWS  
 2 [EFFECTIVE JANUARY 1, 2029]: Sec. 3. (a) For purposes of this  
 3 article, an individual shall be treated as a resident of the county (or the  
 4 municipality in the case of a local income tax imposed under  
 5 IC 6-3.6-6-22) in which the individual:

6 (1) maintains a home, if the individual maintains only one (1)  
 7 home in Indiana;

8 (2) if subdivision (1) does not apply, is registered to vote;

9 (3) if subdivision (1) or (2) does not apply, registers the  
 10 individual's personal automobile; or

11 (4) spent ~~the majority~~ **more** of the individual's time in Indiana  
 12 during the taxable year in question **compared to any other**  
 13 **county**, if subdivision (1), (2), or (3) does not apply.

14 (b) The residence of an individual is to be determined on January  
 15 1 of the calendar year in which the individual's taxable year  
 16 commences. If an individual changes the location of the individual's  
 17 residence to another county (or municipality in the case of a local  
 18 income tax imposed under IC 6-3.6-6-22) in Indiana during a calendar  
 19 year, the individual's liability for tax is not affected.

20 (c) Notwithstanding subsection (b), if an individual becomes a  
 21 local taxpayer for purposes of IC 36-7-27 during a calendar year  
 22 because the individual changes the location of the individual's  
 23 residence to a county or municipality in which the individual begins  
 24 employment or business at a qualified economic development tax  
 25 project (as defined in IC 36-7-27-9), the individual's adjusted gross  
 26 income attributable to employment or business at the qualified  
 27 economic development tax project is taxable only by the county or  
 28 municipality containing the qualified economic development tax  
 29 project.

30 **(d) In determining residency for purposes of a local income tax**  
 31 **imposed under IC 6-3.6-6-2(b)(4) or IC 6-3.6-6-22, the following**  
 32 **apply:**

33 **(1) The criteria in subsection (a)(1) through (a)(4) must be**  
 34 **applied to municipalities and the parts of a county in which**  
 35 **the county may impose a tax rate under IC 6-3.6-6-2(b)(4).**

36 **(2) If an individual meets the criteria in subsection (a)(1)**  
 37 **through (a)(3) for an area in the county in which the county**  
 38 **may impose a tax rate under IC 6-3.6-6-2(b)(4), the**  
 39 **individual is considered a resident of that area of the county**  
 40 **and is subject to a tax rate imposed under IC 6-3.6-6-2(b)(4).**

41 **(3) If an individual is a resident of the county pursuant to**  
 42 **subsection (a)(4), the:**

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- 1           **(A) time spent in all areas within the county in which the**
- 2           **county may impose a tax rate under IC 6-3.6-6-2(b)(4)**
- 3           **shall be aggregated; and**
- 4           **(B) determination of the individual's residence within**
- 5           **the county shall be determined solely by the time spent**
- 6           **in the municipality (or part of the county) and the parts**
- 7           **of a county in which the county may impose a tax rate**
- 8           **under IC 6-3.6-6-2(b)(4).**

9           SECTION 109. IC 6-3.6-8-7, AS ADDED BY P.L.243-2015,  
 10          SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 11          JANUARY 1, 2029]: Sec. 7. In the case of a local taxpayer who is a  
 12          resident of Perry County, **or a resident of a municipality located in**  
 13          **Perry County in the case of a local income tax imposed under**  
 14          **IC 6-3.6-6-22**, the term "adjusted gross income" does not include  
 15          adjusted gross income that is:

- 16           (1) earned in a county that is:
  - 17               (A) located in another state; and
  - 18               (B) adjacent to the county in which the taxpayer resides;
  - 19               and
- 20           (2) subject to an income tax imposed by a county, city, town, or
- 21           other local governmental entity in the other state.

22          SECTION 110. IC 6-3.6-9-1, AS AMENDED BY P.L.68-2025,  
 23          SECTION 154, IS AMENDED TO READ AS FOLLOWS  
 24          [EFFECTIVE JULY 1, 2028]: Sec. 1. (a) The budget agency shall  
 25          maintain an accounting for each county imposing a tax based on annual  
 26          returns filed by or for county taxpayers. Any undistributed amounts so  
 27          accounted for shall be held in reserve for the respective counties  
 28          separate from the state general fund.

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

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

33          SECTION 111. IC 6-3.6-9-5, AS AMENDED BY P.L.68-2025,  
 34          SECTION 158, IS AMENDED TO READ AS FOLLOWS  
 35          [EFFECTIVE JULY 1, 2028]: Sec. 5. (a) Before October 1 of each  
 36          calendar year, the budget agency shall certify to the department of local  
 37          government finance and the county auditor of each adopting county the  
 38          amount determined under sections 4 and 4.1 of this chapter. The  
 39          amount certified is the county's certified distribution for the  
 40          immediately succeeding calendar year. The amount certified shall be  
 41          adjusted, as necessary, under sections 6 and 7 of this chapter. Subject  
 42          to subsection (b), not later than thirty (30) days after receiving the

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1 amount of the certified distribution, the department of local  
 2 government finance shall determine for each taxing unit and notify the  
 3 county auditor of the certified amount that will be distributed to the  
 4 taxing unit under this chapter during the ensuing calendar year. Not  
 5 later than thirty (30) days after receiving the department's estimate, the  
 6 county auditor shall notify each taxing unit of the certified amounts for  
 7 the taxing unit.

8 (b) This subsection applies to Lake County. When the department  
 9 of local government finance notifies the county auditor of the certified  
 10 amount that will be distributed to the taxing unit under this chapter  
 11 during the ensuing calendar year, the department of local government  
 12 finance shall also determine the amount of general purpose revenue  
 13 allocated for economic development purposes that will be distributed  
 14 to each civil taxing unit, reduced by an amount that is equal to the  
 15 following percentages of the tax revenue that would otherwise be  
 16 allocated for economic development purposes and distributed to the  
 17 civil taxing unit:

- 18 (1) For Lake County, an amount equal to twenty-five percent  
 19 (25%).
- 20 (2) For Crown Point, an amount equal to ten percent (10%).
- 21 (3) For Dyer, an amount equal to fifteen percent (15%).
- 22 (4) For Gary, an amount equal to seven and five-tenths percent  
 23 (7.5%).
- 24 (5) For Hammond, an amount equal to fifteen percent (15%).
- 25 (6) For Highland, an amount equal to twelve percent (12%).
- 26 (7) For Hobart, an amount equal to eighteen percent (18%).
- 27 (8) For Lake Station, an amount equal to twenty percent (20%).
- 28 (9) For Lowell, an amount equal to fifteen percent (15%).
- 29 (10) For Merrillville, an amount equal to twenty-two percent  
 30 (22%).
- 31 (11) For Munster, an amount equal to thirty-four percent (34%).
- 32 (12) For New Chicago, an amount equal to one percent (1%).
- 33 (13) For Schererville, an amount equal to ten percent (10%).
- 34 (14) For Schneider, an amount equal to twenty percent (20%).
- 35 (15) For Whiting, an amount equal to twenty-five percent (25%).
- 36 (16) For Winfield, an amount equal to fifteen percent (15%).

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

40 **(c) This subsection applies to a distribution under**  
 41 **IC 6-3.6-6-4.3 of tax revenue raised from a local income tax rate**  
 42 **for fire protection and emergency medical services. Before the**

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1 department of local government finance may certify a distribution,  
 2 each provider of fire protection and emergency medical services  
 3 located within a county shall certify to the department of local  
 4 government finance the boundaries of the service area within the  
 5 county served by the provider. If a provider does not certify the  
 6 provider's service area to the department of local government  
 7 finance, the department of local government finance shall use the  
 8 most recent certified net assessed valuation submitted by the  
 9 county auditor pursuant to IC 6-1.1-17-1 for the taxing unit served  
 10 by the provider to determine the service boundaries for the  
 11 provider. For purposes of this subsection, the service boundaries  
 12 of a provider may not include any area served under a mutual aid  
 13 agreement.

14 SECTION 112. IC 6-3.6-9-10, AS AMENDED BY P.L.68-2025,  
 15 SECTION 164, IS AMENDED TO READ AS FOLLOWS  
 16 [EFFECTIVE JULY 1, 2028]: Sec. 10. The budget agency shall also  
 17 certify information concerning the part of the certified distribution that  
 18 is attributable to each of the following:

- 19 (1) The tax rate imposed under IC 6-3.6-5 (before its expiration).  
 20 This subdivision expires July 1, ~~2028~~ **2029**.
- 21 (2) The tax rate imposed under IC 6-3.6-6, separately stating:  
 22 (A) the part of the distribution attributable to a tax rate  
 23 imposed under IC 6-3.6-6-2.5 (before its repeal);  
 24 (B) the part of the distribution attributable to a tax rate  
 25 imposed under IC 6-3.6-6-2.6 (before its repeal);  
 26 (C) the part of the distribution attributable to a tax rate  
 27 imposed under IC 6-3.6-6-2.7 (before its repeal);  
 28 (D) the part of the distribution attributable to a tax rate  
 29 imposed under IC 6-3.6-6-2.8 (before its repeal); and  
 30 (E) the part of the distribution attributable to a tax rate  
 31 imposed under IC 6-3.6-6-2.9 (before its repeal).
- 32 (3) Each tax rate imposed under IC 6-3.6-7.
- 33 (4) In the case of Marion County, the local income taxes paid by  
 34 local taxpayers described in IC 6-3.6-2-13(3).

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

37 SECTION 113. IC 6-3.6-9-12, AS AMENDED BY P.L.68-2025,  
 38 SECTION 166, IS AMENDED TO READ AS FOLLOWS  
 39 [EFFECTIVE JULY 1, 2028]: Sec. 12. One-twelfth (1/12) of each  
 40 adopting county's certified distribution for a calendar year shall be  
 41 distributed:

- 42 (1) before January 1, ~~2028~~ **2029**, from its trust account

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1 established under this chapter; and  
2 (2) after December 31, ~~2027~~, **2028**, from the state and local  
3 income tax holding account established under this chapter;  
4 to the appropriate county treasurer on the first regular business day of  
5 each month of that calendar year.

6 SECTION 114. IC 6-3.6-9-13, AS AMENDED BY P.L.68-2025,  
7 SECTION 167, IS AMENDED TO READ AS FOLLOWS  
8 [EFFECTIVE JULY 1, 2028]: Sec. 13. (a) All distributions from a trust  
9 account established under this chapter shall be made by warrants issued  
10 by the state comptroller to the treasurer of state ordering the  
11 appropriate payments.

12 (b) This section expires December 31, ~~2027~~. **2028**.

13 SECTION 115. IC 6-3.6-9-17.5, AS ADDED BY P.L.68-2025,  
14 SECTION 171, IS AMENDED TO READ AS FOLLOWS  
15 [EFFECTIVE JULY 1, 2028]: Sec. 17.5. After December 31, ~~2027~~,  
16 **2028**, the county's certified distribution amount for ~~2028~~ **2029** shall be  
17 maintained in the accounting for the county under section 21 of this  
18 chapter and transferred as set forth in section 21 of this chapter.

19 SECTION 116. IC 6-3.6-9-21, AS ADDED BY P.L.68-2025,  
20 SECTION 173, IS AMENDED TO READ AS FOLLOWS  
21 [EFFECTIVE JULY 1, 2028]: Sec. 21. (a) The budget agency shall  
22 maintain an accounting for each county imposing a tax based on annual  
23 returns filed by or for county taxpayers. Beginning after December 31,  
24 ~~2027~~, **2028**, any undistributed amounts so accounted shall be held for  
25 purposes of the state and local income tax holding account.

26 (b) After December 1 but before December 31 of each year, the  
27 budget agency shall present to the budget committee a report of the  
28 following:

29 (1) An estimate of the monthly certified distribution amounts for  
30 the immediately succeeding calendar year.

31 (2) A description of the method used to determine the monthly  
32 estimates under subdivision (1).

33 (c) Beginning in ~~2028~~, **2029**, and in each calendar year thereafter,  
34 the budget agency shall each month transfer to the state and local  
35 income tax holding account the amount determined for the month  
36 under subsection (b)(1) for distribution under this chapter.

37 (d) In the case of a county that imposes a tax rate under  
38 IC 6-3.6-6-2 or a municipality that imposes a tax rate under  
39 IC 6-3.6-6-22 beginning after December 31, ~~2027~~, **2028**, the budget  
40 agency shall withhold, from each of the first three (3) annual certified  
41 distributions resulting from the tax rate, an amount equal to five  
42 percent (5%) of the county's or municipality's, as applicable, annual

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1 certified distribution resulting from the tax rate. The amounts withheld  
2 under this subsection shall be credited to the respective county's or  
3 municipality's trust account.

4 SECTION 117. IC 6-3.6-10-9, AS ADDED BY P.L.68-2025,  
5 SECTION 178, IS AMENDED TO READ AS FOLLOWS  
6 [EFFECTIVE MAY 10, 2025 (RETROACTIVE)]: Sec. 9. (a)  
7 Notwithstanding any other law, for bonds, leases, or any other  
8 obligations incurred after May 9, 2025, a county, city, town, and any  
9 other taxing unit may not pledge for payment from tax revenue  
10 received under this article an amount that exceeds an amount equal to  
11 twenty-five percent (25%) of the taxing unit's certified distribution  
12 under this article.

13 (b) This section expires July 1, ~~2027~~. **2028**.

14 SECTION 118. IC 6-3.6-11-3, AS AMENDED BY P.L.68-2025,  
15 SECTION 180, IS AMENDED TO READ AS FOLLOWS  
16 [EFFECTIVE JULY 1, 2028]: Sec. 3. (a) This section applies to Lake  
17 County's categorizations, allocations, and distributions under IC 6-3.6-5  
18 (before its expiration).

19 (b) The rate under the former tax in Lake County that was used for  
20 any of the following shall be categorized under IC 6-3.6-5 (before its  
21 expiration), and the Lake County council may adopt an ordinance  
22 providing that the revenue from the tax rate under this section may be  
23 used for any of the following:

24 (1) To reduce all property tax levies imposed by the county by  
25 the granting of property tax replacement credits against those  
26 property tax levies.

27 (2) To provide local property tax replacement credits in Lake  
28 County in the following manner:

29 (A) The tax revenue under this section that is collected from  
30 taxpayers within a particular municipality in Lake County  
31 (as determined by the department of state revenue based on  
32 the department's best estimate) shall be used only to provide  
33 a local property tax credit against property taxes imposed by  
34 that municipality.

35 (B) The tax revenue under this section that is collected from  
36 taxpayers within the unincorporated area of Lake County  
37 (as determined by the department of state revenue) shall be  
38 used only to provide a local property tax credit against  
39 property taxes imposed by the county. The local property  
40 tax credit for the unincorporated area of Lake County shall  
41 be available only to those taxpayers within the  
42 unincorporated area of the county.

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- 1 (3) To provide property tax credits in the following manner:
- 2 (A) Sixty percent (60%) of the tax revenue shall be used as
- 3 provided in subdivision (2).
- 4 (B) Forty percent (40%) of the tax revenue shall be used to
- 5 provide property tax replacement credits against property
- 6 tax levies of the county and each township and municipality
- 7 in the county. The percentage of the tax revenue distributed
- 8 under this item that shall be used as credits against the
- 9 county's levies or against a particular township's or
- 10 municipality's levies is equal to the percentage determined
- 11 by dividing the population of the county, township, or
- 12 municipality by the sum of the total population of the
- 13 county, each township in the county, and each municipality
- 14 in the county.

15 The Lake County council shall determine whether the credits under  
 16 subdivision (1), (2), or (3) shall be provided to homesteads, to all  
 17 qualified residential property, or to all taxpayers. The department of  
 18 local government finance, with the assistance of the budget agency,  
 19 shall certify to the county auditor and the fiscal body of the county and  
 20 each township and municipality in the county the amount of property  
 21 tax credits under this section. The tax revenue under this section that  
 22 is used to provide credits under this section shall be treated for all  
 23 purposes as property tax levies but shall not be considered for purposes  
 24 of computing the maximum permissible property tax levy under  
 25 IC 6-1.1-18.5-3 or the credit under IC 6-1.1-20.6.

26 (c) Any ordinance adopted under subsection (b) expires December  
 27 31, ~~2027~~. **2028.**

28 (d) This section expires July 1, ~~2028~~: **2031.**

29 SECTION 119. IC 6-6-5-5, AS AMENDED BY P.L.230-2025,  
 30 SECTION 87, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 31 JANUARY 1, 2025 (RETROACTIVE)]: Sec. 5. A person that owns a  
 32 vehicle and that is entitled to a property tax deduction under  
 33 IC 6-1.1-12-13 (**before its expiration**), IC 6-1.1-12-14, or  
 34 IC 6-1.1-12-16 (~~before its expiration~~) is entitled to a credit against the  
 35 vehicle excise tax as follows: Any remaining deduction from assessed  
 36 valuation to which the person is entitled, applicable to property taxes  
 37 payable in the year in which the excise tax imposed by this chapter is  
 38 due, after allowance of the deduction on real estate and personal  
 39 property owned by the person, shall reduce the vehicle excise tax in the  
 40 amount of two dollars (\$2) on each one hundred dollars (\$100) of  
 41 taxable value or major portion thereof. The county auditor shall, upon  
 42 request, furnish a certified statement to the person verifying the credit

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1 allowable under this section, and the statement shall be presented to  
2 and retained by the bureau to support the credit.

3 SECTION 120. IC 6-6-5-5.2, AS AMENDED BY P.L.230-2025,  
4 SECTION 88, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
5 JANUARY 1, 2025 (RETROACTIVE)]: Sec. 5.2. (a) This section  
6 applies to a registration year beginning after December 31, 2013.

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

- 11 (1) The individual meets all the following requirements:
  - 12 (A) The individual served in the military or naval forces of
  - 13 the United States during any of its wars.
  - 14 (B) The individual received an honorable discharge.
  - 15 (C) The individual has a disability with a service connected
  - 16 disability of ten percent (10%) or more.
  - 17 (D) The individual's disability is evidenced by:
    - 18 (i) a pension certificate, an award of compensation, or
    - 19 a disability compensation check issued by the United
    - 20 States Department of Veterans Affairs; or
    - 21 (ii) a certificate of eligibility issued to the individual by
    - 22 the Indiana department of veterans' affairs after the
    - 23 Indiana department of veterans' affairs has determined
    - 24 that the individual's disability qualifies the individual
    - 25 to receive a credit under this section.
  - 26 (E) The individual does not own property to which a
  - 27 property tax deduction may be applied under IC 6-1.1-12-13
  - 28 **(before its expiration).**
- 29 (2) The individual meets all the following requirements:
  - 30 (A) The individual served in the military or naval forces of
  - 31 the United States for at least ninety (90) days.
  - 32 (B) The individual received an honorable discharge.
  - 33 (C) The individual either:
    - 34 (i) has a total disability; or
    - 35 (ii) is at least sixty-two (62) years of age and has a
    - 36 disability of at least ten percent (10%).
  - 37 (D) The individual's disability is evidenced by:
    - 38 (i) a pension certificate or an award of compensation
    - 39 issued by the United States Department of Veterans
    - 40 Affairs; or
    - 41 (ii) a certificate of eligibility issued to the individual by
    - 42 the Indiana department of veterans' affairs after the

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1 Indiana department of veterans' affairs has determined  
 2 that the individual's disability qualifies the individual  
 3 to receive a credit under this section.  
 4 (E) The individual does not own property to which a  
 5 property tax deduction may be applied under  
 6 IC 6-1.1-12-14.  
 7 (3) The individual meets both of the following requirements:  
 8 (A) The individual is the surviving spouse of any of the  
 9 following:  
 10 (i) An individual who would have been eligible for a  
 11 credit under this section if the individual had been  
 12 alive in 2013 and this section had been in effect in  
 13 2013.  
 14 (ii) An individual who received a credit under this  
 15 section in the previous calendar year.  
 16 (iii) A World War I veteran.  
 17 (B) The individual does not own property to which a  
 18 property tax deduction may be applied under IC 6-1.1-12-13  
 19 **(before its expiration)**, IC 6-1.1-12-14, or IC 6-1.1-12-16.  
 20 ~~(before its expiration)~~.  
 21 (c) The amount of the credit that may be claimed under this  
 22 section is equal to the lesser of the following:  
 23 (1) The amount of the excise tax liability for the individual's  
 24 vehicle as determined under section 3 or 3.5 of this chapter, as  
 25 applicable.  
 26 (2) Seventy dollars (\$70).  
 27 (d) The maximum number of motor vehicles for which an  
 28 individual may claim a credit under this section is two (2).  
 29 (e) An individual may not claim a credit under both:  
 30 (1) this section; and  
 31 (2) section 5 of this chapter.  
 32 (f) The credit allowed by this section must be claimed on a form  
 33 prescribed by the bureau. An individual claiming the credit must attach  
 34 to the form an affidavit from the county auditor stating that the  
 35 claimant does not own property to which a property tax deduction may  
 36 be applied under IC 6-1.1-12-13 **(before its expiration)**,  
 37 IC 6-1.1-12-14, or IC 6-1.1-12-16. ~~(before its expiration)~~.  
 38 SECTION 121. IC 6-6-5.1-2, AS AMENDED BY P.L.256-2017,  
 39 SECTION 43, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 40 UPON PASSAGE]: Sec. 2. The following definitions apply throughout  
 41 this chapter:  
 42 (1) "Bureau" refers to the bureau of motor vehicles.

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- 1 (2) "Mobile home" has the meaning set forth in ~~IC 6-1-1-7-1.~~
- 2 **IC 9-13-2-103.2. The term includes a manufactured home (as**
- 3 **defined in IC 9-13-2-96(a)).**
- 4 (3) "Owner" means:
- 5 (A) in the case of a recreational vehicle, the person in
- 6 whose name the recreational vehicle is registered under
- 7 IC 9-18 (before its expiration) or IC 9-18.1; or
- 8 (B) in the case of a truck camper, the person holding title to
- 9 the truck camper.
- 10 (4) "Recreational vehicle" has the meaning set forth in
- 11 IC 9-13-2-150.
- 12 (5) "Truck camper" has the meaning set forth in IC 9-13-2-188.3.

13 SECTION 122. IC 6-6-6.5-13, AS AMENDED BY P.L.230-2025,  
 14 SECTION 89, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 15 JANUARY 1, 2026 (RETROACTIVE)]: Sec. 13. (a) As the basis for  
 16 measuring the tax imposed by this chapter, the department shall  
 17 classify every taxable aircraft in its proper class according to the  
 18 following classification plan:

19	CLASS	DESCRIPTION
20	A	Piston-driven
21	B	Piston-driven,
22		and Pressurized
23	C	Turbine driven
24		or other Powered
25	D	Homebuilt, Gliders, or
26		Hot Air Balloons

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

30	Age	Class A	Class B	Class C	Class D
31	0-4	\$.04/lb	\$.065/lb	\$.09/lb	\$.0175/lb
32	5-8	\$.035/lb	\$.055/lb	\$.08/lb	\$.015/lb
33	9-12	\$.03/lb	\$.05/lb	\$.07/lb	\$.0125/lb
34	13-16	\$.025/lb	\$.025/lb	\$.025/lb	\$.01/lb
35	17-25	\$.02/lb	\$.02/lb	\$.02/lb	\$.0075/lb
36	over 25	\$.01/lb	\$.01/lb	\$.01/lb	\$.005/lb

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

- 41 (1) ninety percent (90%); or
- 42 (2) ten percent (10%) times the number of months remaining in



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

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

19 SECTION 123. IC 6-9-18-3, AS AMENDED BY THE  
 20 TECHNICAL CORRECTIONS BILL OF THE 2026 GENERAL  
 21 ASSEMBLY, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 22 JULY 1, 2026]: Sec. 3. (a) The fiscal body of a county may levy a tax  
 23 on every person engaged in the business of renting or furnishing, for  
 24 periods of less than thirty (30) days, any room or rooms, lodgings, or  
 25 accommodations in any:

- 26 (1) hotel;
- 27 (2) motel;
- 28 (3) boat motel;
- 29 (4) inn;
- 30 (5) college or university memorial union;
- 31 (6) college or university residence hall or dormitory; or
- 32 (7) tourist cabin;

33 located in the county.

34 (b) The tax does not apply to gross income received in a transaction  
 35 in which:

- 36 (1) a student rents lodgings in a college or university residence  
 37 hall while that student participates in a course of study for which  
 38 the student receives college credit from a college or university  
 39 located in the county; or
- 40 (2) a person rents a room, lodging, or accommodations for a  
 41 period of thirty (30) days or more.

42 (c) The tax may not exceed:

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- 1 (1) the rate of five percent (5%) in a county other than a county
- 2 subject to subdivision (2), (3), ~~or~~ (4), **or (5);**
- 3 (2) after June 30, 2019, and except as provided in section 6.7 of
- 4 this chapter, the rate of eight percent (8%) in Howard County; ~~or~~
- 5 (3) after June 30, 2021, the rate of nine percent (9%) in Daviess
- 6 County;
- 7 **(4) after June 30, 2026, the rate of eight percent (8%) in**
- 8 **DeKalb County; or**
- 9 **(5) after June 30, 2026, the rate of eight percent (8%) in Noble**
- 10 **County.**

11 The tax is imposed on the gross retail income derived from lodging  
 12 income only and is in addition to the state gross retail tax imposed  
 13 under IC 6-2.5.

14 (d) The county fiscal body may adopt an ordinance to require that  
 15 the tax shall be paid monthly to the county treasurer. If such an  
 16 ordinance is adopted, the tax shall be paid to the county treasurer not  
 17 more than twenty (20) days after the end of the month the tax is  
 18 collected. If such an ordinance is not adopted, the tax shall be imposed,  
 19 paid, and collected in exactly the same manner as the state gross retail  
 20 tax is imposed, paid, and collected under IC 6-2.5.

21 (e) All of the provisions of IC 6-2.5 relating to rights, duties,  
 22 liabilities, procedures, penalties, definitions, exemptions, and  
 23 administration are applicable to the imposition and administration of  
 24 the tax imposed under this section except to the extent those provisions  
 25 are in conflict or inconsistent with the specific provisions of this  
 26 chapter or the requirements of the county treasurer. If the tax is paid to  
 27 the department of state revenue, the return to be filed for the payment  
 28 of the tax under this section may be either a separate return or may be  
 29 combined with the return filed for the payment of the state gross retail  
 30 tax as the department of state revenue may, by rule, determine.

31 (f) If the tax is paid to the department of state revenue, the amounts  
 32 received from the tax imposed under this section shall be paid monthly  
 33 by the treasurer of state to the county treasurer upon warrants issued by  
 34 the state comptroller.

35 SECTION 124. IC 6-9-32-3, AS AMENDED BY P.L.9-2024,  
 36 SECTION 245, IS AMENDED TO READ AS FOLLOWS  
 37 [EFFECTIVE JULY 1, 2026]: Sec. 3. (a) The fiscal body of a county  
 38 may levy a tax on every person engaged in the business of renting or  
 39 furnishing, for periods of less than thirty (30) days, any room or rooms,  
 40 lodgings, or accommodations in any:

- 41 (1) hotel;
- 42 (2) motel;

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- 1 (3) boat motel;
- 2 (4) inn; or
- 3 (5) tourist cabin;
- 4 located in the county.

5 (b) The tax does not apply to gross income received in a transaction  
 6 in which a person rents a room, lodging, or accommodations for a  
 7 period of thirty (30) days or more.

8 (c) The tax may not exceed the rate of ~~five percent (5%)~~ **eight**  
 9 **percent (8%)** on the gross retail income derived from lodging income  
 10 only and is in addition to the state gross retail tax imposed under  
 11 IC 6-2.5.

12 (d) The county fiscal body may adopt an ordinance to require that  
 13 the tax shall be paid monthly to the county treasurer. If such an  
 14 ordinance is adopted, the tax shall be paid to the county treasurer not  
 15 more than twenty (20) days after the end of the month the tax is  
 16 collected. If such an ordinance is not adopted, the tax shall be imposed,  
 17 paid, and collected in exactly the same manner as the state gross retail  
 18 tax is imposed, paid, and collected under IC 6-2.5.

19 (e) All of the provisions of IC 6-2.5 relating to rights, duties,  
 20 liabilities, procedures, penalties, definitions, exemptions, and  
 21 administration are applicable to the imposition and administration of  
 22 the tax imposed under this section except to the extent those provisions  
 23 are in conflict or inconsistent with the specific provisions of this  
 24 chapter or the requirements of the county treasurer. If the tax is paid to  
 25 the department of state revenue, the return to be filed for the payment  
 26 of the tax under this section may be either a separate return or may be  
 27 combined with the return filed for the payment of the state gross retail  
 28 tax as the department of state revenue may, by rule, determine.

29 (f) If the tax is paid to the department of state revenue, the amounts  
 30 received from the tax imposed under this section shall be paid monthly  
 31 by the treasurer of state to the county treasurer upon warrants issued by  
 32 the state comptroller.

33 SECTION 125. IC 6-9-78.2 IS ADDED TO THE INDIANA CODE  
 34 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE  
 35 UPON PASSAGE]:

- 36 **Chapter 78.2. Rush County Food and Beverage Tax**
- 37 **Sec. 1. This chapter applies to Rush County.**
- 38 **Sec. 2. The definitions in IC 6-9-12-1 apply throughout this**  
 39 **chapter.**
- 40 **Sec. 3. (a) The fiscal body of the county may adopt an ordinance**  
 41 **on or before December 31, 2026, to impose an excise tax, known as**  
 42 **the county food and beverage tax, on transactions described in**

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1 section 4 of this chapter. The fiscal body of the county may adopt  
2 an ordinance under this subsection only after the county fiscal  
3 body has previously held at least one (1) separate public hearing in  
4 which a discussion of the proposed ordinance to impose the county  
5 food and beverage tax is the only substantive issue on the agenda  
6 for the public hearing.

7 (b) If the county fiscal body adopts an ordinance under  
8 subsection (a), the county fiscal body shall immediately send a  
9 certified copy of the ordinance to the department of state revenue.

10 (c) If the county fiscal body adopts an ordinance under  
11 subsection (a), the county food and beverage tax applies to  
12 transactions that occur after the later of the following:

- 13 (1) The day specified in the ordinance.
- 14 (2) The last day of the month that succeeds the month in  
15 which the ordinance is adopted.

16 Sec. 4. (a) Except as provided in subsection (c), a tax imposed  
17 under section 3 of this chapter applies to a transaction in which  
18 food or beverage is furnished, prepared, or served:

- 19 (1) for consumption at a location or on equipment provided by  
20 a retail merchant;
- 21 (2) in the county in which the tax is imposed; and
- 22 (3) by a retail merchant for consideration.

23 (b) Transactions described in subsection (a)(1) include  
24 transactions in which food or beverage is:

- 25 (1) served by a retail merchant off the merchant's premises;
- 26 (2) sold in a heated state or heated by a retail merchant;
- 27 (3) made of two (2) or more food ingredients, mixed or  
28 combined by a retail merchant for sale as a single item (other  
29 than food that is only cut, repackaged, or pasteurized by the  
30 seller, and eggs, fish, meat, poultry, and foods containing these  
31 raw animal foods requiring cooking by the consumer as  
32 recommended by the federal Food and Drug Administration  
33 in chapter 3, subpart 3-401.11 of its Food Code so as to  
34 prevent food borne illnesses); or
- 35 (4) sold with eating utensils provided by a retail merchant,  
36 including plates, knives, forks, spoons, glasses, cups, napkins,  
37 or straws (for purposes of this subdivision, a plate does not  
38 include a container or package used to transport food).

39 (c) The county food and beverage tax does not apply to the  
40 furnishing, preparing, or serving of a food or beverage in a  
41 transaction that is exempt, or to the extent the transaction is  
42 exempt, from the state gross retail tax imposed by IC 6-2.5.

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**Sec. 5. The county 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 is 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 county 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 county, the county fiscal officer shall establish a food and beverage tax receipts fund.**

**(b) The county 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 county only for the following purposes:**

**(1) Economic development and tourism related purposes or facilities, including the purchase of land for economic development or tourism related purposes.**

**(2) The pledge of money under IC 5-1-14-4 for bonds, leases, or other obligations incurred for a purpose described in subdivision (1).**

**Revenue derived from the imposition of a tax under this chapter may be treated by the county as additional revenue for the purpose of fixing its budget for the budget year during which the revenues are to be distributed to the county.**

**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**

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1 the imposition or collection of the tax imposed under this chapter  
2 if the payment of any of the obligations is outstanding.

3 Sec. 11. (a) If the county imposes the tax authorized by this  
4 chapter, the tax terminates on July 1, 2049.

5 (b) This chapter expires July 1, 2049.

6 SECTION 126. IC 6-9-78.3 IS ADDED TO THE INDIANA CODE  
7 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE  
8 JULY 1, 2026]:

9 Chapter 78.3. Greendale Food and Beverage Tax

10 Sec. 1. This chapter applies to the city of Greendale.

11 Sec. 2. The definitions in IC 6-9-12-1 apply throughout this  
12 chapter.

13 Sec. 3. (a) The fiscal body of the city may adopt an ordinance to  
14 impose an excise tax, known as the city food and beverage tax, on  
15 transactions described in section 4 of this chapter. The fiscal body  
16 of the city may adopt an ordinance under this subsection only after  
17 the city fiscal body has previously:

18 (1) adopted a resolution in support of the proposed city food  
19 and beverage tax; and

20 (2) held at least one (1) separate public hearing in which a  
21 discussion of the proposed ordinance to impose the city food  
22 and beverage tax is the only substantive issue on the agenda  
23 for the public hearing.

24 (b) If the city fiscal body adopts an ordinance under subsection  
25 (a), the city fiscal body shall immediately send a certified copy of  
26 the ordinance to the department of state revenue.

27 (c) If the city fiscal body adopts an ordinance under subsection  
28 (a), the city food and beverage tax applies to transactions that  
29 occur after the last day of the month following the month in which  
30 the ordinance is adopted.

31 Sec. 4. (a) Except as provided in subsection (c), a tax imposed  
32 under section 3 of this chapter applies to a transaction in which  
33 food or beverage is furnished, prepared, or served:

34 (1) for consumption at a location or on equipment provided by  
35 a retail merchant;

36 (2) in the city; and

37 (3) by a retail merchant for consideration.

38 (b) Transactions described in subsection (a)(1) include  
39 transactions in which food or beverage is:

40 (1) served by a retail merchant off the merchant's premises;

41 (2) sold in a heated state or heated by a retail merchant;

42 (3) made of two (2) or more food ingredients, mixed or

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1 combined by a retail merchant for sale as a single item (other  
 2 than food that is only cut, repackaged, or pasteurized by the  
 3 seller, and eggs, fish, meat, poultry, and foods containing these  
 4 raw animal foods requiring cooking by the consumer as  
 5 recommended by the federal Food and Drug Administration  
 6 in chapter 3, subpart 3-401.11 of its Food Code so as to  
 7 prevent food borne illnesses); or

8 (4) sold with eating utensils provided by a retail merchant,  
 9 including plates, knives, forks, spoons, glasses, cups, napkins,  
 10 or straws (for purposes of this subdivision, a plate does not  
 11 include a container or package used to transport the food).

12 (c) The city food and beverage tax does not apply to the  
 13 furnishing, preparing, or serving of a food or beverage in a  
 14 transaction that is exempt, or to the extent the transaction is  
 15 exempt, from the state gross retail tax imposed by IC 6-2.5.

16 **Sec. 5. The city food and beverage tax rate:**

17 (1) must be imposed in an increment of twenty-five  
 18 hundredths percent (0.25%); and

19 (2) may not exceed one percent (1%);

20 of the gross retail income received by the merchant from the food  
 21 or beverage transaction described in section 4 of this chapter. For  
 22 purposes of this chapter, the gross retail income received by the  
 23 retail merchant from a transaction does not include the amount of  
 24 tax imposed on the transaction under IC 6-2.5.

25 **Sec. 6. A tax imposed under this chapter shall be imposed, paid,  
 26 and collected in the same manner that the state gross retail tax is  
 27 imposed, paid, and collected under IC 6-2.5. However, the return  
 28 to be filed with the payment of the tax imposed under this chapter  
 29 may be made on a separate return or may be combined with the  
 30 return filed for the payment of the state gross retail tax, as  
 31 prescribed by the department of state revenue.**

32 **Sec. 7. The amounts received from the tax imposed under this  
 33 chapter shall be paid monthly by the treasurer of state to the city  
 34 fiscal officer upon warrants issued by the state comptroller.**

35 **Sec. 8. (a) If a tax is imposed under section 3 of this chapter by  
 36 the city, the city fiscal officer shall establish a food and beverage  
 37 tax receipts fund.**

38 **(b) The city fiscal officer shall deposit in the fund all amounts  
 39 received under this chapter.**

40 **(c) Money earned from the investment of money in the fund  
 41 becomes a part of the fund.**

42 **Sec. 9. Money in the food and beverage tax receipts fund must**

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1 be used by the city only for the following purposes:  
 2 (1) Park and recreation purposes, including the purchase of  
 3 land for park and recreation purposes.  
 4 (2) Economic development and tourism related purposes or  
 5 facilities, including the purchase of land for economic  
 6 development or tourism related purposes.  
 7 (3) The pledge of money under IC 5-1-14-4 for bonds, leases,  
 8 or other obligations incurred for a purpose described in  
 9 subdivisions (1) and (2).  
 10 **Sec. 10. With respect to obligations for which a pledge has been**  
 11 **made under section 9 of this chapter, the general assembly**  
 12 **covenants with the holders of the obligations that this chapter will**  
 13 **not be repealed or amended in a manner that will adversely affect**  
 14 **the imposition or collection of the tax imposed under this chapter**  
 15 **if the payment of any of the obligations is outstanding.**  
 16 **Sec. 11. (a) If the city imposes the tax authorized by this chapter,**  
 17 **the tax terminates on January 1, 2048.**  
 18 **(b) This chapter expires January 1, 2048.**  
 19 SECTION 127. IC 8-22-3.5-11, AS AMENDED BY P.L.86-2018,  
 20 SECTION 144, IS AMENDED TO READ AS FOLLOWS  
 21 [EFFECTIVE UPON PASSAGE]: Sec. 11. (a) The state board of  
 22 accounts and the department of local government finance shall make  
 23 the rules and prescribe the forms and procedures that the state board of  
 24 accounts and department consider appropriate for the implementation  
 25 of this chapter.  
 26 (b) After each reassessment under IC 6-1.1-4, the ~~department of~~  
 27 ~~local government finance~~ **county auditor** shall, **on forms prescribed**  
 28 **by the department of local government finance**, adjust the base  
 29 assessed value (as defined in section 9 of this chapter) one (1) time to  
 30 neutralize any effect of the reassessment on the property tax proceeds  
 31 allocated to the airport development zone's special funds under section  
 32 9 of this chapter.  
 33 (c) After each annual adjustment under IC 6-1.1-4-4.5, the  
 34 ~~department of local government finance~~ **county auditor** shall, **on**  
 35 **forms prescribed by the department of local government finance**,  
 36 adjust the base assessed value (as defined in section 9 of this chapter)  
 37 to neutralize any effect of the annual adjustment on the property tax  
 38 proceeds allocated to the airport development zone's special funds  
 39 under section 9 of this chapter.  
 40 (d) **The county auditor shall, in the manner prescribed by the**  
 41 **department of local government finance, submit the forms**  
 42 **required by this section to the department of local government**

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1 **finance no later than July 15 of each year.**  
 2 SECTION 128. IC 9-13-2-96, AS AMENDED BY P.L.42-2025,  
 3 SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 4 UPON PASSAGE]: Sec. 96. (a) "Manufactured home", ~~means~~, except  
 5 as provided in subsections (b) and (c), a structure that:  
 6 (1) is assembled in a factory;  
 7 (2) bears a seal certifying that it was built in compliance with the  
 8 federal Manufactured Housing Construction and Safety Standards  
 9 Law (42 U.S.C. 5401 et seq.);  
 10 (3) is designed to be transported from the factory to another site  
 11 in one (1) or more units;  
 12 (4) is suitable for use as a dwelling in any season; and  
 13 (5) is more than thirty-five (35) feet long.  
 14 The term does not include a vehicle described in section 150(a)(2) of  
 15 this chapter.  
 16 (b) "Manufactured home", for purposes of IC 9-17-6, means either  
 17 of the following:  
 18 (1) A structure having the meaning set forth in the federal  
 19 Manufactured Housing Construction and Safety Standards Law of  
 20 1974 (42 U.S.C. 5401 et seq.);  
 21 (2) A mobile home.  
 22 This subsection expires June 30, 2016: subsection (b), has the  
 23 meaning set forth in 42 U.S.C. 5402(6), as amended. However, the  
 24 term also includes a structure that meets the definition and is more  
 25 than thirty-five (35) body feet in length but less than forty (40)  
 26 body feet in length.  
 27 (c) (b) "Manufactured home", for purposes of IC 9-22-1.7, has the  
 28 meaning set forth in IC 9-22-1.7-2.  
 29 SECTION 129. IC 9-22-1.5-1, AS AMENDED BY P.L.256-2017,  
 30 SECTION 163, IS AMENDED TO READ AS FOLLOWS  
 31 [EFFECTIVE UPON PASSAGE]: Sec. 1. As used in this chapter,  
 32 "mobile home" ~~means a nonself-propelled vehicle designed for~~  
 33 ~~occupancy as a dwelling or sleeping place:~~ **has the meaning set forth**  
 34 **in IC 9-13-2-103.2. The term includes a manufactured home (as**  
 35 **defined in IC 9-13-2-96(a)).**  
 36 SECTION 130. IC 9-22-1.7-2, AS ADDED BY P.L.198-2016,  
 37 SECTION 377, IS AMENDED TO READ AS FOLLOWS  
 38 [EFFECTIVE UPON PASSAGE]: Sec. 2. As used in this chapter,  
 39 "manufactured home" means either of the following:  
 40 (1) ~~A nonself-propelled vehicle designed for occupancy as a~~  
 41 ~~dwelling or sleeping place:~~ **A manufactured home as defined in**  
 42 **IC 9-13-2-96(a).**

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1 (2) A dwelling, including the equipment sold as a part of the  
 2 dwelling, that:  
 3 (A) is factory assembled;  
 4 (B) is transportable;  
 5 (C) is intended for year-round occupancy;  
 6 (D) is designed for transportation on its own chassis; and  
 7 (E) was manufactured before the effective date of the federal  
 8 Manufactured Housing Construction and Safety Standards  
 9 Law of 1974 (42 U.S.C. 5401 et seq.): **A mobile home (as**  
 10 **defined in IC 9-13-2-103.2).**

11 SECTION 131. IC 16-18-2-215.5, AS ADDED BY P.L.87-2005,  
 12 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 13 UPON PASSAGE]: Sec. 215.5. "Manufactured home", for purposes of  
 14 IC 16-41-27, has the meaning set forth in ~~IC 22-12-1-16.~~  
 15 **IC 9-13-2-96(a). The term includes a mobile home (as defined in**  
 16 **IC 9-13-2-103.2).**

17 SECTION 132. IC 16-18-2-238 IS AMENDED TO READ AS  
 18 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 238. "Mobile  
 19 home", for purposes of IC 16-41-27, has meaning set forth in  
 20 ~~IC 16-41-27-4.~~ **IC 9-13-2-103.2. The term includes a manufactured**  
 21 **home (as defined in IC 9-13-2-96(a)).**

22 SECTION 133. IC 16-41-27-3.5, AS ADDED BY P.L.87-2005,  
 23 SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 24 UPON PASSAGE]: Sec. 3.5. As used in this chapter, "manufactured  
 25 home" has the meaning set forth in ~~IC 22-12-1-16.~~ **IC 9-13-2-96(a).**  
 26 **The term includes a mobile home (as defined in IC 9-13-2-103.2).**

27 SECTION 134. IC 16-41-27-4, AS AMENDED BY P.L.87-2005,  
 28 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 29 UPON PASSAGE]: Sec. 4. As used in this chapter, "mobile home"  
 30 means a dwelling, including the equipment sold as a part of the  
 31 dwelling, that:

32 (1) is factory assembled;  
 33 (2) is transportable;  
 34 (3) is intended for year-round occupancy;  
 35 (4) is designed for transportation on its own chassis; and  
 36 (5) was manufactured before the effective date of the federal  
 37 Manufactured Housing Construction and Safety Standards Law of  
 38 1974 (42 U.S.C. 5401 et seq.): **has the meaning set forth in**  
 39 **IC 9-13-2-103.2. The term includes a manufactured home (as**  
 40 **defined in IC 9-13-2-96(a)).**

41 SECTION 135. IC 22-12-1-14 IS AMENDED TO READ AS  
 42 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 14. "Industrialized

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1 building system" means any part of a building or other structure that is  
 2 in whole or in substantial part fabricated in an off-site manufacturing  
 3 facility for installation or assembly at the building site as part of a Class  
 4 1 structure, a Class 2 structure, or another building or structure.  
 5 However, the term does not include a mobile structure, a  
 6 **manufactured home**, or a system that is capable of inspection at the  
 7 building site.

8 SECTION 136. IC 22-12-1-16, AS AMENDED BY P.L.198-2016,  
 9 SECTION 651, IS AMENDED TO READ AS FOLLOWS  
 10 [EFFECTIVE UPON PASSAGE]: Sec. 16. "Manufactured home" has  
 11 the meaning set forth in ~~42 U.S.C. 5402 as it existed on January 1,~~  
 12 ~~2003. IC 9-13-2-96(a).~~ The term includes a mobile home ~~(as defined~~  
 13 ~~in IC 16-41-27-4).~~ **as defined in IC 9-13-2-103.2.**

14 SECTION 137. IC 22-12-1-17, AS AMENDED BY P.L.101-2006,  
 15 SECTION 31, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 16 UPON PASSAGE]: Sec. 17. (a) "Mobile structure" means any part of  
 17 a fabricated unit that is designed to be:

- 18 (1) towed ~~on its own with or without a permanent~~ chassis; and
- 19 (2) connected to utilities for year-round occupancy or use as a  
 20 Class 1 structure, a Class 2 structure, or another structure.

21 (b) The term includes the following:

- 22 (1) Two (2) or more components that can be retracted for towing  
 23 purposes and subsequently expanded for additional capacity.
- 24 (2) Two (2) or more units that are separately towable but designed  
 25 to be joined into one (1) integral unit.
- 26 (3) One (1) or more units that include a hoisting and lowering  
 27 mechanism equipped with a platform that:
  - 28 (A) moves between two (2) or more landings; and
  - 29 (B) is used to transport one (1) or more individuals.

30 SECTION 138. IC 25-23.7-2-7, AS AMENDED BY P.L.87-2005,  
 31 SECTION 33, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 32 UPON PASSAGE]: Sec. 7. "Manufactured home" ~~means a:~~

- 33 ~~(1) dwelling meeting the definition set forth in IC 22-12-1-16; or~~
- 34 ~~(2) mobile home being installed in a mobile home community;~~  
 35 **has the meaning set forth in IC 9-13-2-96(a). The term**  
 36 **includes a mobile home (as defined in IC 9-13-2-103.2).**

37 SECTION 139. IC 25-23.7-2-7.5, AS ADDED BY P.L.87-2005,  
 38 SECTION 34, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 39 UPON PASSAGE]: Sec. 7.5. "Mobile home" has the meaning set forth  
 40 in ~~IC 16-41-27-4. IC 9-13-2-103.2.~~ **The term includes a**  
 41 **manufactured home (as defined in IC 9-13-2-96(a)).**

42 SECTION 140. IC 25-23.7-3-8, AS AMENDED BY P.L.84-2016,

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1 SECTION 108, IS AMENDED TO READ AS FOLLOWS  
 2 [EFFECTIVE UPON PASSAGE]: Sec. 8. The board shall:  
 3 (1) enforce and administer this article;  
 4 (2) adopt rules under IC 4-22-2 for the administration and  
 5 enforcement of this article, including competency standards and  
 6 a code of ethics for licensed installers;  
 7 (3) prescribe the requirements for and the form of licenses issued  
 8 or renewed under this article;  
 9 (4) issue, deny, suspend, and revoke licenses in accordance with  
 10 this article;  
 11 (5) in accordance with IC 25-1-7, investigate and prosecute  
 12 complaints involving licensees or individuals the board has  
 13 reason to believe should be licensees, including complaints  
 14 concerning the failure to comply with this article or rules adopted  
 15 under this article;  
 16 (6) bring actions in the name of the state of Indiana in an  
 17 appropriate circuit court, superior court, or probate court to  
 18 enforce compliance with this article or rules adopted under this  
 19 article;  
 20 (7) establish fees in accordance with IC 25-1-8;  
 21 (8) inspect the records of a licensee in accordance with rules  
 22 adopted by the board;  
 23 (9) conduct or designate a board member or other representative  
 24 to conduct public hearings on any matter for which a hearing is  
 25 required under this article and to exercise all powers granted  
 26 under IC 4-21.5; ~~and~~  
 27 (10) maintain the board's office, files, records, and property in the  
 28 city of Indianapolis; ~~and~~  
 29 **(11) ensure any certification or recertification required by 42**  
 30 **U.S.C. 5403, as amended, or any other provision of the federal**  
 31 **Manufactured Housing Construction and Safety Standards**  
 32 **Law (42 U.S.C. 5401 et seq.), is submitted to or has been**  
 33 **included in a plan submitted to the secretary of the United**  
 34 **States Department of Housing and Urban Development.**  
 35 SECTION 141. IC 26-1-9.1-102, AS AMENDED BY P.L.199-2023,  
 36 SECTION 40, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 37 UPON PASSAGE]: Sec. 102. (a) In IC 26-1-9.1:  
 38 (1) "Accession" means goods that are physically united with other  
 39 goods in such a manner that the identity of the original goods is  
 40 not lost.  
 41 (2) "Account", except as used in "account for", "account  
 42 statement", "account to", "commodity account" in subdivision

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1 (14), "customer's account", "deposit account" in subdivision (29),  
2 "on account of", and "statement of account", means a right to  
3 payment of a monetary obligation, whether or not earned by  
4 performance:

- 5 (A) for property that has been or is to be sold, leased, licensed,  
6 assigned, or otherwise disposed of;
- 7 (B) for services rendered or to be rendered;
- 8 (C) for a policy of insurance issued or to be issued;
- 9 (D) for a secondary obligation incurred or to be incurred;
- 10 (E) for energy provided or to be provided;
- 11 (F) for the use or hire of a vessel under a charter or other  
12 contract;
- 13 (G) arising out of the use of a credit or charge card or  
14 information contained on or for use with the card; or
- 15 (H) as winnings in a lottery or other game of chance operated  
16 or sponsored by a state other than Indiana, a governmental unit  
17 of a state, or a person licensed or authorized to operate the  
18 game by a state or governmental unit of a state.

19 The term does not include a right to a payment of a prize awarded  
20 by the state lottery commission in the Indiana state lottery  
21 established under IC 4-30. The term includes controllable  
22 accounts and health-care-insurance receivables. The term does  
23 not include (i) chattel paper, (ii) commercial tort claims, (iii)  
24 deposit accounts, (iv) investment property, (v) letter-of-credit  
25 rights or letters of credit, (vi) rights to payment for money or  
26 funds advanced or sold, other than rights arising out of the use of  
27 a credit or charge card or information contained on or for use with  
28 the card, or (vii) rights to payment evidenced by an instrument.

29 (3) "Account debtor" means a person obligated on an account,  
30 chattel paper, or general intangible. The term does not include  
31 persons obligated to pay a negotiable instrument, even if the  
32 negotiable instrument evidences chattel paper.

33 (4) "Accounting", except as used in "accounting for", means a  
34 record:

- 35 (A) signed by a secured party;
- 36 (B) indicating the aggregate unpaid secured obligations as of  
37 a date not more than thirty-five (35) days earlier or thirty-five  
38 (35) days later than the date of the record; and
- 39 (C) identifying the components of the obligations in  
40 reasonable detail.

41 (5) "Agricultural lien" means an interest, other than a security  
42 interest, in farm products:

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- 1 (A) that secures payment or performance of an obligation for:  
 2 (i) goods or services furnished in connection with a debtor's  
 3 farming operation; or  
 4 (ii) rent on real property leased by a debtor in connection  
 5 with the debtor's farming operation;  
 6 (B) that is created by statute in favor of a person that:  
 7 (i) in the ordinary course of its business furnished goods or  
 8 services to a debtor in connection with the debtor's farming  
 9 operation; or  
 10 (ii) leased real property to a debtor in connection with the  
 11 debtor's farming operation; and  
 12 (C) whose effectiveness does not depend on the person's  
 13 possession of the personal property.
- 14 (6) "As-extracted collateral" means:  
 15 (A) oil, gas, or other minerals that are subject to a security  
 16 interest that:  
 17 (i) is created by a debtor having an interest in the minerals  
 18 before extraction; and  
 19 (ii) attaches to the minerals as extracted; or  
 20 (B) accounts arising out of the sale at the wellhead or  
 21 minehead of oil, gas, or other minerals in which the debtor had  
 22 an interest before extraction.
- 23 (7) The following terms have the following meanings:  
 24 (A) "Assignee", except as used in "assignee for benefit of  
 25 creditors", means a person (i) in whose favor a security interest  
 26 that secures an obligation is created or provided for under a  
 27 security agreement, whether or not the obligation is  
 28 outstanding or (ii) to which an account, chattel paper, payment  
 29 intangible, or promissory note has been sold. The term  
 30 includes a person to which a security interest has been  
 31 transferred by a secured party.  
 32 (B) "Assignor" means a person that (i) under a security  
 33 agreement creates or provides for a security interest that  
 34 secures an obligation or (ii) sells an account, chattel paper,  
 35 payment intangible, or promissory note. The term includes a  
 36 secured party that has transferred a security interest to another  
 37 person.
- 38 (8) "Bank" means an organization that is engaged in the business  
 39 of banking. The term includes savings banks, savings and loan  
 40 associations, credit unions, and trust companies.
- 41 (9) "Cash proceeds" means proceeds that are money, checks,  
 42 deposit accounts, or the like.

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1 (10) "Certificate of title" means a certificate of title with respect  
2 to which a statute provides for the security interest in question to  
3 be indicated on the certificate as a condition or result of the  
4 security interest's obtaining priority over the rights of a lien  
5 creditor with respect to the collateral. The term includes another  
6 record maintained as an alternative to a certificate of title by the  
7 governmental unit that issues certificates of title if a statute  
8 permits the security interest in question to be indicated on the  
9 record as a condition or result of the security interest's obtaining  
10 priority over the rights of a lien creditor with respect to the  
11 collateral.

12 (11) "Chattel paper" means:  
13 (A) a right to payment of a monetary obligation secured by  
14 specific goods, if the right to payment and security interest are  
15 evidenced by a record; or  
16 (B) a right to payment of a monetary obligation owed by a  
17 lessee under a lease agreement with respect to specific goods  
18 and a monetary obligation owed by the lessee in connection  
19 with the transaction giving rise to the lease if:  
20 (i) the right to payment and lease agreement are evidenced  
21 by a record; and  
22 (ii) the predominant purpose of the transaction giving rise to  
23 the lease was to give the lessee the right to possession and  
24 use of the goods.

25 The term does not include a right to payment arising out of a  
26 charter or other contract involving the use or hire of a vessel, or  
27 a right to payment arising out of the use of a credit or charge card  
28 or information contained on or for use with the card.

29 (12) "Collateral" means the property subject to a security interest  
30 or agricultural lien. The term includes:

- 31 (A) proceeds to which a security interest attaches;
- 32 (B) accounts, chattel paper, payment intangibles, and  
33 promissory notes that have been sold; and
- 34 (C) goods that are the subject of a consignment.

35 (13) "Commercial tort claim" means a claim arising in tort with  
36 respect to which:

- 37 (A) the claimant is an organization; or
- 38 (B) the claimant is an individual and the claim:
  - 39 (i) arose in the course of the claimant's business or  
40 profession; and
  - 41 (ii) does not include damages arising out of personal injury  
42 to or the death of an individual.

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- 1 (14) "Commodity account" means an account maintained by a
- 2 commodity intermediary in which a commodity contract is carried
- 3 for a commodity customer.
- 4 (15) "Commodity contract" means a commodity futures contract,
- 5 an option on a commodity futures contract, a commodity option,
- 6 or another contract if the contract or option is:
- 7 (A) traded on or subject to the rules of a board of trade that has
- 8 been designated as a contract market for such a contract
- 9 pursuant to federal commodities laws; or
- 10 (B) traded on a foreign commodity board of trade, exchange,
- 11 or market, and is carried on the books of a commodity
- 12 intermediary for a commodity customer.
- 13 (16) "Commodity customer" means a person for which a
- 14 commodity intermediary carries a commodity contract on its
- 15 books.
- 16 (17) "Commodity intermediary" means a person that:
- 17 (A) is registered as a futures commission merchant under
- 18 federal commodities law; or
- 19 (B) in the ordinary course of its business provides clearance or
- 20 settlement services for a board of trade that has been
- 21 designated as a contract market pursuant to federal
- 22 commodities law.
- 23 (18) "Communicate" means:
- 24 (A) to send a written or other tangible record;
- 25 (B) to transmit a record by any means agreed upon by the
- 26 persons sending and receiving the record; or
- 27 (C) in the case of transmission of a record to or by a filing
- 28 office, to transmit a record by any means prescribed by
- 29 filing-office rule.
- 30 (19) "Consignee" means a merchant to which goods are delivered
- 31 in a consignment.
- 32 (20) "Consignment" means a transaction, regardless of its form,
- 33 in which a person delivers goods to a merchant for the purpose of
- 34 sale and:
- 35 (A) the merchant:
- 36 (i) deals in goods of that kind under a name other than the
- 37 name of the person making delivery;
- 38 (ii) is not an auctioneer; and
- 39 (iii) is not generally known by its creditors to be
- 40 substantially engaged in selling the goods of others;
- 41 (B) with respect to each delivery, the aggregate value of the
- 42 goods is one thousand dollars (\$1,000) or more at the time of

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- 1 delivery;
- 2 (C) the goods are not consumer goods immediately before
- 3 delivery; and
- 4 (D) the transaction does not create a security interest that
- 5 secures an obligation.
- 6 (21) "Consignor" means a person that delivers goods to a
- 7 consignee in a consignment.
- 8 (22) "Consumer debtor" means a debtor in a consumer
- 9 transaction.
- 10 (23) "Consumer goods" means goods that are used or bought for
- 11 use primarily for personal, family, or household purposes.
- 12 (24) "Consumer-goods transaction" means a consumer transaction
- 13 in which:
- 14 (A) an individual incurs an obligation primarily for personal,
- 15 family, or household purposes; and
- 16 (B) a security interest in consumer goods secures the
- 17 obligation.
- 18 (25) "Consumer obligor" means an obligor who is an individual
- 19 and who incurred the obligation as part of a transaction entered
- 20 into primarily for personal, family, or household purposes.
- 21 (26) "Consumer transaction" means a transaction in which (i) an
- 22 individual incurs an obligation primarily for personal, family, or
- 23 household purposes, (ii) a security interest secures the obligation,
- 24 and (iii) the collateral is held or acquired primarily for personal,
- 25 family, or household purposes. The term includes
- 26 consumer-goods transactions.
- 27 (27) The following terms have the following meanings:
- 28 (A) "Continuation statement" means an amendment of a
- 29 financing statement that:
- 30 (i) identifies, by its file number, the initial financing
- 31 statement to which it relates; and
- 32 (ii) indicates that it is a continuation statement for, or that it
- 33 is filed to continue the effectiveness of, the identified
- 34 financing statement.
- 35 (B) "Controllable account" means an account evidenced by a
- 36 controllable electronic record that provides that the account
- 37 debtor undertakes to pay the person that has control under
- 38 IC 26-1-12-105 of the controllable electronic record.
- 39 (C) "Controllable payment intangible" means a payment
- 40 intangible evidenced by a controllable electronic record that
- 41 provides that the account debtor undertakes to pay the person
- 42 that has control under IC 26-1-12-105 of the controllable

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- 1           electronic record.
- 2       (28) "Debtor" means:
- 3           (A) a person having an interest, other than a security interest
- 4           or other lien, in the collateral, whether or not the person is an
- 5           obligor;
- 6           (B) a seller of accounts, chattel paper, payment intangibles, or
- 7           promissory notes; or
- 8           (C) a consignee.
- 9       (29) "Deposit account" means a demand, time, savings, passbook,
- 10       or similar account maintained with a bank. The term does not
- 11       include investment property or accounts evidenced by an
- 12       instrument.
- 13       (30) "Document" means a document of title or a receipt of the
- 14       type described in IC 26-1-7-201(b).
- 15       (31) [Reserved.]
- 16       (32) "Encumbrance" means a right, other than an ownership
- 17       interest, in real property. The term includes mortgages and other
- 18       liens on real property.
- 19       (33) "Equipment" means goods other than inventory, farm
- 20       products, or consumer goods.
- 21       (34) "Farm products" means goods, other than standing timber,
- 22       with respect to which the debtor is engaged in a farming operation
- 23       and which are:
- 24           (A) crops grown, growing, or to be grown, including:
- 25               (i) crops produced on trees, vines, and bushes; and
- 26               (ii) aquatic goods produced in aquacultural operations;
- 27           (B) livestock, born or unborn, including aquatic goods
- 28           produced in aquacultural operations;
- 29           (C) supplies used or produced in a farming operation; or
- 30           (D) products of crops or livestock in their unmanufactured
- 31           states.
- 32       (35) "Farming operation" means raising, cultivating, propagating,
- 33       fattening, grazing, or any other farming, livestock, or aquacultural
- 34       operation.
- 35       (36) "File number" means the number assigned to an initial
- 36       financing statement pursuant to IC 26-1-9.1-519(a).
- 37       (37) "Filing office" means an office designated in IC 26-1-9.1-501
- 38       as the place to file a financing statement.
- 39       (38) "Filing-office rule" means a rule adopted pursuant to
- 40       IC 26-1-9.1-526.
- 41       (39) "Financing statement" means a record or records composed
- 42       of an initial financing statement and any filed record relating to

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- 1 the initial financing statement.
- 2 (40) "Fixture filing" means the filing of a financing statement  
3 covering goods that are or are to become fixtures and satisfying  
4 IC 26-1-9.1-502(a) and IC 26-1-9.1-502(b). The term includes the  
5 filing of a financing statement covering goods of a transmitting  
6 utility which are or are to become fixtures.
- 7 (41) "Fixtures" means goods that have become so related to  
8 particular real property that an interest in them arises under real  
9 property law.
- 10 (42) "General intangible" means any personal property, including  
11 things in action, other than accounts, chattel paper, commercial  
12 tort claims, deposit accounts, documents, goods, instruments,  
13 investment property, letter-of-credit rights, letters of credit,  
14 money, and oil, gas, or other minerals before extraction. The term  
15 includes controllable electronic records, payment intangibles, and  
16 software.
- 17 (43) "Good faith" means honesty in fact and the observance of  
18 reasonable commercial standards of fair dealing.
- 19 (44) "Goods" means all things that are movable when a security  
20 interest attaches. The term includes (i) fixtures, (ii) standing  
21 timber that is to be cut and removed under a conveyance or  
22 contract for sale, (iii) the unborn young of animals, (iv) crops  
23 grown, growing, or to be grown, even if the crops are produced on  
24 trees, vines, or bushes, and (v) manufactured homes. The term  
25 also includes a computer program embedded in goods and any  
26 supporting information provided in connection with a transaction  
27 relating to the program if (i) the program is associated with the  
28 goods in such a manner that it customarily is considered part of  
29 the goods, or (ii) by becoming the owner of the goods, a person  
30 acquires a right to use the program in connection with the goods.  
31 The term does not include a computer program embedded in  
32 goods that consist solely of the medium in which the program is  
33 embedded. The term also does not include accounts, chattel  
34 paper, commercial tort claims, deposit accounts, documents,  
35 general intangibles, instruments, investment property,  
36 letter-of-credit rights, letters of credit, money, or oil, gas, or other  
37 minerals before extraction.
- 38 (45) "Governmental unit" means a subdivision, agency,  
39 department, county, parish, municipality, or other unit of the  
40 government of the United States, a state, or a foreign country. The  
41 term includes an organization having a separate corporate  
42 existence if the organization is eligible to issue debt on which

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- 1 interest is exempt from income taxation under the laws of the
- 2 United States.
- 3 (46) "Health-care-insurance receivable" means an interest in or
- 4 claim under a policy of insurance that is a right to payment of a
- 5 monetary obligation for health-care goods or services provided.
- 6 (47) "Instrument" means a negotiable instrument or any other
- 7 writing that evidences a right to the payment of a monetary
- 8 obligation, is not itself a security agreement or lease, and is of a
- 9 type that in the ordinary course of business is transferred by
- 10 delivery with any necessary endorsement or assignment. The term
- 11 does not include (i) investment property, (ii) letters of credit, (iii)
- 12 writings that evidence a right to payment arising out of the use of
- 13 a credit or charge card or information contained on or for use with
- 14 the card, or (iv) writings that evidence chattel paper.
- 15 (48) "Inventory" means goods, other than farm products, that:
- 16 (A) are leased by a person as lessor;
- 17 (B) are held by a person for sale or lease or to be furnished
- 18 under a contract of service;
- 19 (C) are furnished by a person under a contract of service; or
- 20 (D) consist of raw materials, work in process, or materials
- 21 used or consumed in a business.
- 22 (49) "Investment property" means a security, whether certificated
- 23 or uncertificated, security entitlement, securities account,
- 24 commodity contract, or commodity account.
- 25 (50) "Jurisdiction of organization", with respect to a registered
- 26 organization, means the jurisdiction under whose law the
- 27 organization is formed or organized.
- 28 (51) "Letter-of-credit right" means a right to payment or
- 29 performance under a letter of credit, whether or not the
- 30 beneficiary has demanded or is at the time entitled to demand
- 31 payment or performance. The term does not include the right of
- 32 a beneficiary to demand payment or performance under a letter of
- 33 credit.
- 34 (52) "Lien creditor" means:
- 35 (A) a creditor that has acquired a lien on the property involved
- 36 by attachment, levy, or the like;
- 37 (B) an assignee for benefit of creditors from the time of
- 38 assignment;
- 39 (C) a trustee in bankruptcy from the date of the filing of the
- 40 petition; or
- 41 (D) a receiver in equity from the time of appointment.
- 42 (53) "Manufactured home" means a structure, transportable in one

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1 (1) or more sections, which, in the traveling mode, is eight (8)  
 2 body feet or more in width or forty (40) body feet or more in  
 3 length, or, when erected on site, is three hundred twenty (320) or  
 4 more square feet, and which is built ~~on~~ **with or without** a  
 5 permanent chassis and designed to be used as a dwelling with or  
 6 without a permanent foundation when connected to the required  
 7 utilities, and includes the plumbing, heating, air conditioning, and  
 8 electrical systems contained therein. The term includes any  
 9 structure that meets all of the requirements of this subdivision  
 10 except the size requirements, and with respect to which the  
 11 manufacturer voluntarily files a certification required by the  
 12 United States Secretary of Housing and Urban Development and  
 13 complies with the standards established under Title 42 of the  
 14 United States Code.

15 (54) The following terms have the following meanings:

16 (A) "Manufactured-home transaction" means a secured  
 17 transaction:

18 (i) that creates a purchase-money security interest in a  
 19 manufactured home, other than a manufactured home held  
 20 as inventory; or

21 (ii) in which a manufactured home, other than a  
 22 manufactured home held as inventory, is the primary  
 23 collateral.

24 (B) "Money" has the meaning set forth in IC 26-1-1-201(24),  
 25 but does not include a deposit account.

26 (55) "Mortgage" means a consensual interest in real property,  
 27 including fixtures, that secures payment or performance of an  
 28 obligation.

29 (56) "New debtor" means a person that becomes bound as debtor  
 30 under IC 26-1-9.1-203(d) by a security agreement previously  
 31 entered into by another person.

32 (57) "New value" means (i) money, (ii) money's worth in  
 33 property, services, or new credit, or (iii) release by a transferee of  
 34 an interest in property previously transferred to the transferee.  
 35 The term does not include an obligation substituted for another  
 36 obligation.

37 (58) "Noncash proceeds" means proceeds other than cash  
 38 proceeds.

39 (59) "Obligor" means a person that, with respect to an obligation  
 40 secured by a security interest in or an agricultural lien on the  
 41 collateral, (i) owes payment or other performance of the  
 42 obligation, (ii) has provided property other than the collateral to

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- 1 secure payment or other performance of the obligation, or (iii) is
- 2 otherwise accountable in whole or in part for payment or other
- 3 performance of the obligation. The term does not include issuers
- 4 or nominated persons under a letter of credit.
- 5 (60) "Original debtor", except as used in IC 26-1-9.1-310(c),
- 6 means a person that, as debtor, entered into a security agreement
- 7 to which a new debtor has become bound under
- 8 IC 26-1-9.1-203(d).
- 9 (61) "Payment intangible" means a general intangible under
- 10 which the account debtor's principal obligation is a monetary
- 11 obligation. The term includes a controllable payment intangible.
- 12 (62) "Person related to", with respect to an individual, means:
- 13 (A) the spouse of the individual;
- 14 (B) a brother, brother-in-law, sister, or sister-in-law of the
- 15 individual;
- 16 (C) an ancestor or lineal descendant of the individual or the
- 17 individual's spouse; or
- 18 (D) any other relative, by blood or marriage, of the individual
- 19 or the individual's spouse who shares the same home with the
- 20 individual.
- 21 (63) "Person related to", with respect to an organization, means:
- 22 (A) a person directly or indirectly controlling, controlled by,
- 23 or under common control with the organization;
- 24 (B) an officer or director of, or a person performing similar
- 25 functions with respect to, the organization;
- 26 (C) an officer or director of, or a person performing similar
- 27 functions with respect to, a person described in clause (A);
- 28 (D) the spouse of an individual described in clause (A), (B), or
- 29 (C); or
- 30 (E) an individual who is related by blood or marriage to an
- 31 individual described in clause (A), (B), (C), or (D) and shares
- 32 the same home with the individual.
- 33 (64) "Proceeds", except as used in IC 26-1-9.1-609(b), means the
- 34 following property:
- 35 (A) Whatever is acquired upon the sale, lease, license,
- 36 exchange, or other disposition of collateral.
- 37 (B) Whatever is collected on, or distributed on account of,
- 38 collateral.
- 39 (C) Rights arising out of collateral.
- 40 (D) To the extent of the value of collateral, claims arising out
- 41 of the loss, nonconformity, or interference with the use of,
- 42 defects or infringement of rights in, or damage to, the

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- 1 collateral.
- 2 (E) To the extent of the value of collateral and to the extent
- 3 payable to the debtor or the secured party, insurance payable
- 4 by reason of the loss or nonconformity of, defects or
- 5 infringement of rights in, or damage to, the collateral.
- 6 (65) "Promissory note" means an instrument that evidences a
- 7 promise to pay a monetary obligation, does not evidence an order
- 8 to pay, and does not contain an acknowledgment by a bank that
- 9 the bank has received for deposit a sum of money or funds.
- 10 (66) "Proposal" means a record signed by a secured party that
- 11 includes the terms on which the secured party is willing to accept
- 12 collateral in full or partial satisfaction of the obligation it secures
- 13 pursuant to IC 26-1-9.1-620, IC 26-1-9.1-621, and
- 14 IC 26-1-9.1-622.
- 15 (67) "Public-finance transaction" means a secured transaction in
- 16 connection with which:
- 17 (A) debt securities are issued;
- 18 (B) all or a portion of the securities issued have an initial
- 19 stated maturity of at least twenty (20) years; and
- 20 (C) the debtor, obligor, secured party, account debtor, or other
- 21 person obligated on collateral, assignor or assignee of a
- 22 secured obligation, or assignor or assignee of a security
- 23 interest is a state or a governmental unit of a state.
- 24 (68) "Public organic record" means a record that is available to
- 25 the public for inspection and is:
- 26 (A) a record consisting of the record initially filed with or
- 27 issued by a state or the United States to form or organize an
- 28 organization and any record filed with or issued by the state or
- 29 the United States which amends or restates the initial record;
- 30 (B) an organic record of a business trust consisting of the
- 31 record initially filed with a state and any record filed with the
- 32 state which amends or restates the initial record, if a statute of
- 33 the state governing business trusts requires that the record be
- 34 filed with the state; or
- 35 (C) a record consisting of legislation enacted by the legislature
- 36 of a state or the Congress of the United States which forms or
- 37 organizes an organization, any record amending the
- 38 legislation, and any record filed with or issued by the state or
- 39 the United States which amends or restates the name of the
- 40 organization.
- 41 (69) "Pursuant to commitment", with respect to an advance made
- 42 or other value given by a secured party, means pursuant to the

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1 secured party's obligation, whether or not a subsequent event of  
 2 default or other event not within the secured party's control has  
 3 relieved or may relieve the secured party from its obligation.

4 (70) "Record", except as used in "for record", "of record", "record  
 5 or legal title", and "record owner", means information that is  
 6 inscribed on a tangible medium or that is stored in an electronic  
 7 or other medium and is retrievable in perceivable form.

8 (71) "Registered organization" means an organization formed or  
 9 organized solely under the law of a single state or the United  
 10 States by the filing of a public organic record with, the issuance  
 11 of a public organic record by, or the enactment of legislation by  
 12 the state or the United States. The term includes a business trust  
 13 that is formed or organized under the law of a single state if a  
 14 statute of the state governing business trusts requires that the  
 15 business trust's organic record be filed with the state.

16 (72) "Secondary obligor" means an obligor to the extent that:

17 (A) the obligor's obligation is secondary; or

18 (B) the obligor has a right of recourse with respect to an  
 19 obligation secured by collateral against the debtor, another  
 20 obligor, or property of either.

21 (73) "Secured party" means:

22 (A) a person in whose favor a security interest is created or  
 23 provided for under a security agreement, whether or not any  
 24 obligation to be secured is outstanding;

25 (B) a person that holds an agricultural lien;

26 (C) a consignor;

27 (D) a person to which accounts, chattel paper, payment  
 28 intangibles, or promissory notes have been sold;

29 (E) a trustee, indenture trustee, agent, collateral agent, or other  
 30 representative in whose favor a security interest or agricultural  
 31 lien is created or provided for; or

32 (F) a person that holds a security interest arising under  
 33 IC 26-1-2-401, IC 26-1-2-505, IC 26-1-2-711(3),  
 34 IC 26-1-2.1-508(5), IC 26-1-4-210, or IC 26-1-5.1-118.

35 (74) "Security agreement" means an agreement that creates or  
 36 provides for a security interest.

37 (75) [Reserved.]

38 (76) "Software" means a computer program and any supporting  
 39 information provided in connection with a transaction relating to  
 40 the program. The term does not include a computer program that  
 41 is included in the definition of goods.

42 (77) "State" means a state of the United States, the District of

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- 1 Columbia, Puerto Rico, the United States Virgin Islands, or any
- 2 territory or insular possession subject to the jurisdiction of the
- 3 United States.
- 4 (78) "Supporting obligation" means a letter-of-credit right or
- 5 secondary obligation that supports the payment or performance of
- 6 an account, chattel paper, a document, a general intangible, an
- 7 instrument, or investment property.
- 8 (79) [Reserved.]
- 9 (80) "Termination statement" means an amendment of a financing
- 10 statement that:
- 11 (A) identifies, by its file number, the initial financing
- 12 statement to which it relates; and
- 13 (B) indicates either that it is a termination statement or that the
- 14 identified financing statement is no longer effective.
- 15 (81) "Transmitting utility" means a person primarily engaged in
- 16 the business of:
- 17 (A) operating a railroad, subway, street railway, or trolley bus;
- 18 (B) transmitting communications electrically,
- 19 electromagnetically, or by light;
- 20 (C) transmitting goods by pipeline or sewer; or
- 21 (D) transmitting or producing and transmitting electricity,
- 22 steam, gas, or water.
- 23 (b) "Control" as provided in IC 26-1-7-106 and the following
- 24 definitions outside IC 26-1-9.1 apply to IC 26-1-9.1:
- 25 "Applicant" IC 26-1-5.1-102.
- 26 "Beneficiary" IC 26-1-5.1-102.
- 27 "Broker" IC 26-1-8.1-102.
- 28 "Certificated security" IC 26-1-8.1-102.
- 29 "Check" IC 26-1-3.1-104.
- 30 "Clearing corporation" IC 26-1-8.1-102.
- 31 "Contract for sale" IC 26-1-2-106.
- 32 "Controllable electronic record" IC 26-1-12-102.
- 33 "Customer" IC 26-1-4-104.
- 34 "Entitlement holder" IC 26-1-8.1-102.
- 35 "Financial asset" IC 26-1-8.1-102.
- 36 "Holder in due course" IC 26-1-3.1-302.
- 37 "Issuer" (with respect to a letter of credit or letter-of-credit right)
- 38 IC 26-1-5.1-102.
- 39 "Issuer" (with respect to a security) IC 26-1-8.1-201.
- 40 "Issuer" (with respect to documents of title) IC 26-1-7-102.
- 41 "Lease" IC 26-1-2.1-103.
- 42 "Lease agreement" IC 26-1-2.1-103.

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- 1 "Lease contract" IC 26-1-2.1-103.
- 2 "Leasehold interest" IC 26-1-2.1-103.
- 3 "Lessee" IC 26-1-2.1-103.
- 4 "Lessee in ordinary course of business" IC 26-1-2.1-103.
- 5 "Lessor" IC 26-1-2.1-103.
- 6 "Lessor's residual interest" IC 26-1-2.1-103.
- 7 "Letter of credit" IC 26-1-5.1-102.
- 8 "Merchant" IC 26-1-2-104.
- 9 "Negotiable instrument" IC 26-1-3.1-104.
- 10 "Nominated person" IC 26-1-5.1-102.
- 11 "Note" IC 26-1-3.1-104.
- 12 "Proceeds of a letter of credit" IC 26-1-5.1-114.
- 13 "Protected purchaser" IC 26-1-8.1-303.
- 14 "Prove" IC 26-1-3.1-103.
- 15 "Qualifying purchaser" IC 26-1-12-102.
- 16 "Sale" IC 26-1-2-106.
- 17 "Securities account" IC 26-1-8.1-501.
- 18 "Securities intermediary" IC 26-1-8.1-102.
- 19 "Security" IC 26-1-8.1-102.
- 20 "Security certificate" IC 26-1-8.1-102.
- 21 "Security entitlement" IC 26-1-8.1-102.
- 22 "Uncertificated security" IC 26-1-8.1-102.
- 23 (c) IC 26-1-1 contains general definitions and principles of
- 24 construction and interpretation applicable throughout IC 26-1-9.1.
- 25 SECTION 142. IC 36-1-12-3, AS AMENDED BY P.L.86-2025,
- 26 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 27 JANUARY 1, 2026 (RETROACTIVE)]: Sec. 3. (a) The board may
- 28 purchase or lease materials in the manner provided in IC 5-22 and
- 29 perform any public work, by means of its own workforce, without
- 30 awarding a contract whenever the cost of that public work project is
- 31 estimated to be less than three hundred seventy-five thousand dollars
- 32 (\$375,000), adjusted annually by ~~the~~ **an amount equal to the**
- 33 **unadjusted** percentage change **for all items** in the Consumer Price
- 34 Index for all Urban Consumers as published by the United States
- 35 Bureau of Labor Statistics **for the immediately preceding year. On**
- 36 **or before January 15, 2026, and on or before January 1 of each**
- 37 **year thereafter**, the department of local government finance shall
- 38 annually publish the adjusted cost estimate threshold for the current
- 39 year, determined in the manner required by this subsection, ~~on the~~
- 40 ~~department's website.~~ **in the Indiana Register under IC 4-22-7-7. For**
- 41 **purposes of applying the annual cost estimate threshold**
- 42 **adjustment, the annual percentage change is applied to the**

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1 **adjusted amount for the immediately preceding year.**  
2 (b) Before a board may perform any work under this section by  
3 means of its own workforce, the political subdivision or agency must  
4 have a group of employees on its staff who are capable of performing  
5 the construction, maintenance, and repair applicable to that work.  
6 (c) For purposes of ~~this subsection~~, **determining** the cost of a public  
7 work project, **the cost** includes:  
8 (1) the actual cost of materials, labor, equipment, and rental;  
9 (2) a reasonable rate for use of trucks and heavy equipment  
10 owned; and  
11 (3) all other expenses incidental to the performance of the project.  
12 ~~(b)~~ (d) This subsection applies only to a municipality or a county.  
13 The workforce of a municipality or county may perform a public work  
14 described in subsection (a) only if:  
15 (1) the workforce, through demonstrated skills, training, or  
16 expertise, is capable of performing the public work; and  
17 (2) for a public work project under subsection (a) whose cost is  
18 estimated to be more than one hundred thousand dollars  
19 (\$100,000), the board:  
20 (A) publishes a notice under IC 5-3-1 that:  
21 (i) describes the public work that the board intends to  
22 perform with its own workforce; and  
23 (ii) sets forth the projected cost of each component of the  
24 public work as described in subsection (a); and  
25 (B) determines at a public meeting that it is in the public  
26 interest to perform the public work with the board's own  
27 workforce.  
28 A public work project performed by a board's own workforce must be  
29 inspected and accepted as complete in the same manner as a public  
30 work project performed under a contract awarded after receiving bids.  
31 ~~(c)~~ (e) When the project involves the rental of equipment with an  
32 operator furnished by the owner, or the installation or application of  
33 materials by the supplier of the materials, the project is considered to  
34 be a public work project and subject to this chapter. However, an  
35 annual contract may be awarded for equipment rental and materials to  
36 be installed or applied during a calendar or fiscal year if the proposed  
37 project or projects are described in the bid specifications.  
38 ~~(d)~~ (f) A board of aviation commissioners or an airport authority  
39 board may purchase or lease materials in the manner provided in  
40 IC 5-22 and perform any public work by means of its own workforce  
41 and owned or leased equipment, in the construction, maintenance, and  
42 repair of any airport roadway, runway, taxiway, or aircraft parking

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1 apron whenever the cost of that public work project is estimated to be  
2 less than one hundred fifty thousand dollars (\$150,000).

3 ~~(e)~~ **(g)** Municipal and county hospitals must comply with this  
4 chapter for all contracts for public work that are financed in whole or  
5 in part with cumulative building fund revenue, as provided in section  
6 1(c) of this chapter. However, if the cost of the public work is  
7 estimated to be less than fifty thousand dollars (\$50,000), as reflected  
8 in the board minutes, the hospital board may have the public work done  
9 without receiving bids, by purchasing the materials and performing the  
10 work by means of its own workforce and owned or leased equipment.

11 ~~(f)~~ **(h)** If a public works project involves a structure, an  
12 improvement, or a facility under the control of a public highway  
13 department that is under the political control of a unit (as defined in  
14 IC 36-1-2-23) and involved in the construction, maintenance, or repair  
15 of a public highway (as defined in IC 9-25-2-4), the department may  
16 not artificially divide the project to bring any part of the project under  
17 this section.

18 SECTION 143. IC 36-1-12.5-10, AS AMENDED BY P.L.233-2015,  
19 SECTION 331, IS AMENDED TO READ AS FOLLOWS  
20 [EFFECTIVE JULY 1, 2026]: Sec. 10. The governing body shall

21 ~~(1)~~ **(1)** provide ~~submit the following~~ to the director of the  
22 department of local government ~~finance~~ **finance's computer**  
23 **gateway** not more than sixty (60) days after the date of execution  
24 of the guaranteed savings contract:

25 ~~(A)~~ **(1)** A copy of the executed guaranteed savings contract.

26 ~~(B)~~ **(2)** The:

- 27 ~~(i)~~ **(A)** energy or water consumption costs;
- 28 ~~(ii)~~ **(B)** wastewater usage costs; and
- 29 ~~(iii)~~ **(C)** billable revenues, if any;

30 before the date of execution of the guaranteed savings  
31 contract. ~~and~~

32 ~~(C)~~ **(3)** The documentation using industry engineering  
33 standards for:

- 34 ~~(i)~~ **(A)** stipulated savings; and
- 35 ~~(ii)~~ **(B)** related capital expenditures. ~~and~~

36 ~~(2)~~ **(2)** annually report to the director of the department of local  
37 government ~~finance~~; in accordance with procedures established  
38 by the department, the savings resulting in the previous year from  
39 the ~~guaranteed savings contract or utility efficiency program~~.

40 SECTION 144. IC 36-1-12.5-12, AS AMENDED BY P.L.233-2015,  
41 SECTION 332, IS AMENDED TO READ AS FOLLOWS  
42 [EFFECTIVE JULY 1, 2026]: Sec. 12. ~~(a)~~ An improvement that is not

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1 causally connected to a conservation measure may be included in a  
2 guaranteed savings contract if:

3 (1) the total value of the improvement does not exceed fifteen  
4 percent (15%) of the total value of the guaranteed savings  
5 contract; and

6 (2) either:

7 (A) the improvement is necessary to conform to a law, a rule,  
8 or an ordinance; or

9 (B) an analysis within the guaranteed savings contract  
10 demonstrates that:

11 (i) there is an economic advantage to the political  
12 subdivision in implementing an improvement as part of the  
13 guaranteed savings contract; and

14 (ii) the savings justification for the improvement is  
15 documented by industry engineering standards.

16 ~~(b) The information required under subsection (a) must be reported  
17 to the director of the department of local government finance.~~

18 SECTION 145. IC 36-1-20-3.6 IS ADDED TO THE INDIANA  
19 CODE AS A NEW SECTION TO READ AS FOLLOWS  
20 [EFFECTIVE JULY 1, 2026]: **Sec. 3.6. (a) A unit may not adopt or**

21 **enforce an ordinance, resolution, regulation, policy, or rule that:**

22 **(1) prohibits or restricts an owner of a privately owned**  
23 **residential property from using the property as a rental**  
24 **property; or**

25 **(2) has the effect of prohibiting or restricting the use of**  
26 **property as a rental property.**

27 **(b) This section does not prohibit a unit from enforcing any:**

28 **(1) generally applicable health and safety regulations;**

29 **(2) building codes, fire codes, or reasonable occupancy**  
30 **standards; or**

31 **(3) registration or inspection requirements set forth in this**  
32 **chapter, provided the requirements do not operate to impose**  
33 **a cap or limit described in subsection (a).**

34 SECTION 146. IC 36-2-11-14.5, AS AMENDED BY P.L. 127-2017,  
35 SECTION 79, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
36 UPON PASSAGE]: Sec. 14.5. (a) As used in this section,

37 "manufactured home" has the meaning set forth in ~~IC 9-13-2-96(b).~~  
38 **IC 9-13-2-96(a). The term includes a mobile home (as defined in**  
39 **IC 9-13-2-103.2).**

40 (b) As used in this section, "mobile home" has the meaning set forth  
41 in ~~IC 6-1-1-7-1(b).~~ **IC 9-13-2-103.2. The term includes a**  
42 **manufactured home (as defined in IC 9-13-2-96(a)).**

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1 (c) A person must do the following to record a purchase contract  
2 that is subject to IC 9-17-6-17:

3 (1) Submit the following to the county recorder:

4 (A) A copy of the title to the manufactured home or mobile  
5 home.

6 (B) An affidavit stating whether the contract requires the seller  
7 or the buyer to pay the property taxes imposed on the  
8 manufactured home or mobile home.

9 (2) Pay any applicable recording fees.

10 (d) The county recorder shall record a purchase contract submitted  
11 for recording under IC 9-17-6-17 by a person who complies with  
12 subsection (c). The county recorder shall do the following:

13 (1) Provide the information described in subsection (c)(1) to the  
14 county treasurer with respect to each contract recorded under this  
15 section.

16 (2) Notify the township assessor of the township in which the  
17 mobile home is located, or to which the mobile home will be  
18 moved, that a contract for the sale of the mobile home has been  
19 recorded. If there is no township assessor for the township, the  
20 county recorder shall provide the notice required by this  
21 subdivision to the county assessor.

22 SECTION 147. IC 36-4-3-19, AS AMENDED BY P.L.104-2022,  
23 SECTION 160, IS AMENDED TO READ AS FOLLOWS  
24 [EFFECTIVE JULY 1, 2026]: Sec. 19. (a) If disannexation is ordered  
25 under this chapter by the works board of a municipality and no appeal  
26 is taken, the clerk of the municipality shall, without compensation and  
27 not later than ten (10) days after the order is made, make and certify a  
28 complete transcript of the disannexation proceedings to the auditor of  
29 each county in which the disannexed lots or lands lie and to the office  
30 of the secretary of state. The county auditor shall list those lots or lands  
31 appropriately for taxation. The proceedings of the works board shall not  
32 be certified to the county auditor or to the office of the secretary of  
33 state if an appeal to the circuit court has been taken.

34 (b) In all proceedings begun in or appealed to the circuit court, if  
35 vacation or disannexation is ordered, the clerk of the court shall  
36 immediately after the judgment of the court, or after a decision on  
37 appeal to the supreme court or court of appeals if the judgment on  
38 appeal is not reversed, certify the judgment of the circuit court, as  
39 affirmed or modified, to each of the following:

40 (1) The auditor of each county in which the lands or lots affected  
41 lie, on receipt of one dollar (\$1) for the making and certifying of  
42 the transcript from the petitioners for the disannexation.

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- 1 (2) The office of the secretary of state.
- 2 (3) The circuit court clerk of each county in which the lands or
- 3 lots affected are located.
- 4 (4) The county election board of each county in which the lands
- 5 or lots affected are located.
- 6 (5) If a board of registration exists, the board of each county in
- 7 which the lands or lots affected are located.
- 8 (6) The office of census data established by IC 2-5-1.1-12.2.
- 9 (c) The county auditor shall forward a list of lots or lands
- 10 disannexed under this section to the following:
- 11 (1) The county highway department of each county in which the
- 12 lands or lots affected are located.
- 13 (2) The county surveyor of each county in which the lands or lots
- 14 affected are located.
- 15 (3) Each plan commission, if any, that lost or gained jurisdiction
- 16 over the disannexed territory.
- 17 (4) The township trustee of each township that lost or gained
- 18 jurisdiction over the disannexed territory.
- 19 (5) The sheriff of each county in which the lands or lots affected
- 20 are located.
- 21 (6) The office of the secretary of state.
- 22 (7) The office of census data established by IC 2-5-1.1-12.2.
- 23 (8) The department of local government finance, not later than
- 24 August 1, in the manner described by the department.
- 25 **(9) The state GIS officer (as defined in IC 4-23-7.3-10), not**
- 26 **later than August 1, in the manner prescribed by the state**
- 27 **GIS officer (as defined in IC 4-23-7.3-10).**
- 28 The county auditor may require the clerk of the municipality to furnish
- 29 an adequate number of copies of the list of disannexed lots or lands or
- 30 may charge the clerk a fee for photoreproduction of the list.
- 31 (d) A disannexation described by this section takes effect upon the
- 32 clerk of the municipality filing the order with:
- 33 (1) the county auditor of each county in which the annexed
- 34 territory is located; and
- 35 (2) the circuit court clerk, or if a board of registration exists, the
- 36 board of each county in which the annexed territory is located.
- 37 (e) The clerk of the municipality shall notify the office of the
- 38 secretary of state and the office of census data established by
- 39 IC 2-5-1.1-12.2 of the date a disannexation is effective under this
- 40 chapter.
- 41 SECTION 148. IC 36-4-3-22, AS AMENDED BY P.L.38-2021,
- 42 SECTION 84, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE

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- 1 JULY 1, 2026]: Sec. 22. (a) The clerk of the municipality shall file:  
 2 (1) each annexation ordinance against which:  
 3 (A) a remonstrance or an appeal has not been filed during the  
 4 period permitted under this chapter; or  
 5 (B) a remonstrance was filed without a sufficient number of  
 6 signatures to meet the requirements of section 11.3(c) of this  
 7 chapter, in the case of an annexation for which an annexation  
 8 ordinance was adopted after June 30, 2015; or  
 9 (2) the certified copy of a final and unappealable judgment  
 10 ordering an annexation to take place;  
 11 with the county auditor, circuit court clerk, and board of registration (if  
 12 a board of registration exists) of each county in which the annexed  
 13 territory is located, the office of the secretary of state, and the office of  
 14 census data established by IC 2-5-1.1-12.2. The clerk of the  
 15 municipality shall record each annexation ordinance adopted under this  
 16 chapter in the office of the county recorder of each county in which the  
 17 annexed territory is located.  
 18 (b) The ordinance or judgment must be filed and recorded no later  
 19 than ninety (90) days after:  
 20 (1) the expiration of the period permitted for a remonstrance or  
 21 appeal;  
 22 (2) the delivery of a certified order under section 15 of this  
 23 chapter; or  
 24 (3) the date the county auditor files the written certification with  
 25 the legislative body under section 11.2 of this chapter, in the case  
 26 of an annexation described in subsection (a)(1)(B).  
 27 (c) Failure to record the annexation ordinance as provided in  
 28 subsection (a) does not invalidate the ordinance.  
 29 (d) The county auditor shall forward a copy of any annexation  
 30 ordinance filed under this section to the following:  
 31 (1) The county highway department of each county in which the  
 32 lots or lands affected are located.  
 33 (2) The county surveyor of each county in which the lots or lands  
 34 affected are located.  
 35 (3) Each plan commission, if any, that lost or gained jurisdiction  
 36 over the annexed territory.  
 37 (4) The sheriff of each county in which the lots or lands affected  
 38 are located.  
 39 (5) The township trustee of each township that lost or gained  
 40 jurisdiction over the annexed territory.  
 41 (6) The office of the secretary of state.  
 42 (7) The office of census data established by IC 2-5-1.1-12.2.

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1 (8) The department of local government finance, not later than  
2 August 1, in the manner described by the department.

3 **(9) The state GIS officer (as defined in IC 4-23-7.3-10), not**  
4 **later than August 1, in the manner prescribed by the state**  
5 **GIS officer (as defined in IC 4-23-7.3-10).**

6 (e) The county auditor may require the clerk of the municipality to  
7 furnish an adequate number of copies of the annexation ordinance or  
8 may charge the clerk a fee for photoreproduction of the ordinance. The  
9 county auditor shall notify the office of the secretary of state and the  
10 office of census data established by IC 2-5-1.1-12.2 of the date that the  
11 annexation ordinance is effective under this chapter.

12 (f) The county auditor or county surveyor shall, upon determining  
13 that an annexation ordinance has become effective under this chapter,  
14 indicate the annexation upon the property taxation records maintained  
15 in the office of the auditor or the office of the county surveyor.

16 SECTION 149. IC 36-7-14-39, AS AMENDED BY P.L.181-2025,  
17 SECTION 20, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
18 UPON PASSAGE]: Sec. 39. (a) As used in this section:

19 "Allocation area" means that part of a redevelopment project area  
20 to which an allocation provision of a declaratory resolution adopted  
21 under section 15 of this chapter refers for purposes of distribution and  
22 allocation of property taxes.

23 "Base assessed value" means, subject to subsection (j), the  
24 following:

25 (1) If an allocation provision is adopted after June 30, 1995, in a  
26 declaratory resolution or an amendment to a declaratory  
27 resolution establishing an economic development area:

28 (A) the net assessed value of all the property as finally  
29 determined for the assessment date immediately preceding the  
30 effective date of the allocation provision of the declaratory  
31 resolution, as adjusted under subsection (h); plus

32 (B) to the extent that it is not included in clause (A), the net  
33 assessed value of property that is assessed as residential  
34 property under the rules of the department of local government  
35 finance, within the allocation area, as finally determined for  
36 the current assessment date.

37 (2) If an allocation provision is adopted after June 30, 1997, in a  
38 declaratory resolution or an amendment to a declaratory  
39 resolution establishing a redevelopment project area:

40 (A) the net assessed value of all the property as finally  
41 determined for the assessment date immediately preceding the  
42 effective date of the allocation provision of the declaratory

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- 1 resolution, as adjusted under subsection (h); plus  
 2 (B) to the extent that it is not included in clause (A), the net  
 3 assessed value of property that is assessed as residential  
 4 property under the rules of the department of local government  
 5 finance, as finally determined for the current assessment date.  
 6 (3) If:  
 7 (A) an allocation provision adopted before June 30, 1995, in  
 8 a declaratory resolution or an amendment to a declaratory  
 9 resolution establishing a redevelopment project area expires  
 10 after June 30, 1997; and  
 11 (B) after June 30, 1997, a new allocation provision is included  
 12 in an amendment to the declaratory resolution;  
 13 the net assessed value of all the property as finally determined for  
 14 the assessment date immediately preceding the effective date of  
 15 the allocation provision adopted after June 30, 1997, as adjusted  
 16 under subsection (h).  
 17 (4) Except as provided in subdivision (5), for all other allocation  
 18 areas, the net assessed value of all the property as finally  
 19 determined for the assessment date immediately preceding the  
 20 effective date of the allocation provision of the declaratory  
 21 resolution, as adjusted under subsection (h).  
 22 (5) If an allocation area established in an economic development  
 23 area before July 1, 1995, is expanded after June 30, 1995, the  
 24 definition in subdivision (1) applies to the expanded part of the  
 25 area added after June 30, 1995.  
 26 (6) If an allocation area established in a redevelopment project  
 27 area before July 1, 1997, is expanded after June 30, 1997, the  
 28 definition in subdivision (2) applies to the expanded part of the  
 29 area added after June 30, 1997.  
 30 Except as provided in section 39.3 of this chapter, "property taxes"  
 31 means taxes imposed under IC 6-1.1 on real property. However, upon  
 32 approval by a resolution of the redevelopment commission adopted  
 33 before June 1, 1987, "property taxes" also includes taxes imposed  
 34 under IC 6-1.1 on depreciable personal property. If a redevelopment  
 35 commission adopted before June 1, 1987, a resolution to include within  
 36 the definition of property taxes, taxes imposed under IC 6-1.1 on  
 37 depreciable personal property that has a useful life in excess of eight  
 38 (8) years, the commission may by resolution determine the percentage  
 39 of taxes imposed under IC 6-1.1 on all depreciable personal property  
 40 that will be included within the definition of property taxes. However,  
 41 the percentage included must not exceed twenty-five percent (25%) of  
 42 the taxes imposed under IC 6-1.1 on all depreciable personal property.

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1 (b) A declaratory resolution adopted under section 15 of this chapter  
2 on or before the allocation deadline determined under subsection (i)  
3 may include a provision with respect to the allocation and distribution  
4 of property taxes for the purposes and in the manner provided in this  
5 section. A declaratory resolution previously adopted may include an  
6 allocation provision by the amendment of that declaratory resolution on  
7 or before the allocation deadline determined under subsection (i) in  
8 accordance with the procedures required for its original adoption. A  
9 declaratory resolution or amendment that establishes an allocation  
10 provision must include a specific finding of fact, supported by  
11 evidence, that the adoption of the allocation provision will result in  
12 new property taxes in the area that would not have been generated but  
13 for the adoption of the allocation provision. For an allocation area  
14 established before July 1, 1995, the expiration date of any allocation  
15 provisions for the allocation area is June 30, 2025, or the last date of  
16 any obligations that are outstanding on July 1, 2015, whichever is later.  
17 A declaratory resolution or an amendment that establishes an allocation  
18 provision after June 30, 1995, must specify an expiration date for the  
19 allocation provision. For an allocation area established before July 1,  
20 2008, the expiration date may not be more than thirty (30) years after  
21 the date on which the allocation provision is established. For an  
22 allocation area established after June 30, 2008, the expiration date may  
23 not be more than twenty-five (25) years after the date on which the first  
24 obligation was incurred to pay principal and interest on bonds or lease  
25 rentals on leases payable from tax increment revenues. However, with  
26 respect to bonds or other obligations that were issued before July 1,  
27 2008, if any of the bonds or other obligations that were scheduled when  
28 issued to mature before the specified expiration date and that are  
29 payable only from allocated tax proceeds with respect to the allocation  
30 area remain outstanding as of the expiration date, the allocation  
31 provision does not expire until all of the bonds or other obligations are  
32 no longer outstanding. Notwithstanding any other law, in the case of an  
33 allocation area that is established after June 30, 2019, and that is  
34 located in a redevelopment project area described in section  
35 25.1(c)(3)(C) of this chapter, an economic development area described  
36 in section 25.1(c)(3)(C) of this chapter, or an urban renewal project  
37 area described in section 25.1(c)(3)(C) of this chapter, the expiration  
38 date of the allocation provision may not be more than thirty-five (35)  
39 years after the date on which the allocation provision is established.  
40 The allocation provision may apply to all or part of the redevelopment  
41 project area. The allocation provision must require that any property  
42 taxes subsequently levied by or for the benefit of any public body

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1 entitled to a distribution of property taxes on taxable property in the  
2 allocation area be allocated and distributed as follows:

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

5 (A) the assessed value of the property for the assessment date  
6 with respect to which the allocation and distribution is made;  
7 or

8 (B) the base assessed value;

9 shall be allocated to and, when collected, paid into the funds of  
10 the respective taxing units.

11 (2) This subdivision applies to a fire protection territory  
12 established after December 31, 2022. If a unit becomes a  
13 participating unit of a fire protection territory that is established  
14 after a declaratory resolution is adopted under section 15 of this  
15 chapter, the excess of the proceeds of the property taxes  
16 attributable to an increase in the property tax rate for the  
17 participating unit of a fire protection territory:

18 (A) except as otherwise provided by this subdivision, shall be  
19 determined as follows:

20 STEP ONE: Divide the unit's tax rate for fire protection for  
21 the year before the establishment of the fire protection  
22 territory by the participating unit's tax rate as part of the fire  
23 protection territory.

24 STEP TWO: Subtract the STEP ONE amount from one (1).

25 STEP THREE: Multiply the STEP TWO amount by the  
26 allocated property tax attributable to the participating unit of  
27 the fire protection territory; and

28 (B) to the extent not otherwise included in subdivisions (1)  
29 and (3), the amount determined under STEP THREE of clause

30 (A) shall be allocated to and distributed in the form of an  
31 allocated property tax revenue pass back to the participating  
32 unit of the fire protection territory for the assessment date with  
33 respect to which the allocation is made.

34 However, if the redevelopment commission determines that it is  
35 unable to meet its debt service obligations with regards to the  
36 allocation area without all or part of the allocated property tax  
37 revenue pass back to the participating unit of a fire protection area  
38 under this subdivision, then the allocated property tax revenue  
39 pass back under this subdivision shall be reduced by the amount  
40 necessary for the redevelopment commission to meet its debt  
41 service obligations of the allocation area. The calculation under  
42 this subdivision must be made by the redevelopment commission

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1 in collaboration with the county auditor and the applicable fire  
 2 protection territory. Any calculation determined according to  
 3 clause (A) must be submitted to the department of local  
 4 government finance in the manner prescribed by the department  
 5 of local government finance. The department of local government  
 6 finance shall verify the accuracy of each calculation.  
 7 (3) The excess of the proceeds of the property taxes imposed for  
 8 the assessment date with respect to which the allocation and  
 9 distribution is made that are attributable to taxes imposed after  
 10 being approved by the voters in a referendum or local public  
 11 question conducted after April 30, 2010, not otherwise included  
 12 in subdivisions (1) and (2) shall be allocated to and, when  
 13 collected, paid into the funds of the taxing unit for which the  
 14 referendum or local public question was conducted.  
 15 (4) Except as otherwise provided in this section, property tax  
 16 proceeds in excess of those described in subdivisions (1), (2), and  
 17 (3) shall be allocated to the redevelopment district and, when  
 18 collected, paid into an allocation fund for that allocation area that  
 19 may be used by the redevelopment district only to do one (1) or  
 20 more of the following:  
 21 (A) Pay the principal of and interest on any obligations  
 22 payable solely from allocated tax proceeds which are incurred  
 23 by the redevelopment district for the purpose of financing or  
 24 refinancing the redevelopment of that allocation area.  
 25 (B) Establish, augment, or restore the debt service reserve for  
 26 bonds payable solely or in part from allocated tax proceeds in  
 27 that allocation area.  
 28 (C) Pay the principal of and interest on bonds payable from  
 29 allocated tax proceeds in that allocation area and from the  
 30 special tax levied under section 27 of this chapter.  
 31 (D) Pay the principal of and interest on bonds issued by the  
 32 unit to pay for local public improvements that are physically  
 33 located in or physically connected to that allocation area.  
 34 (E) Pay premiums on the redemption before maturity of bonds  
 35 payable solely or in part from allocated tax proceeds in that  
 36 allocation area.  
 37 (F) Make payments on leases payable from allocated tax  
 38 proceeds in that allocation area under section 25.2 of this  
 39 chapter.  
 40 (G) Reimburse the unit for expenditures made by it for local  
 41 public improvements (which include buildings, parking  
 42 facilities, and other items described in section 25.1(a) of this

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chapter) that are physically located in or physically connected to that allocation area.

(H) Reimburse the unit for rentals paid by it for a building or parking facility that is physically located in or physically connected to that allocation area under any lease entered into under IC 36-1-10.

(I) For property taxes first due and payable before January 1, 2009, pay all or a part of a property tax replacement credit to taxpayers in an allocation area as determined by the redevelopment commission. This credit equals the amount determined under the following STEPS for each taxpayer in a taxing district (as defined in IC 6-1.1-1-20) that contains all or part of the allocation area:

STEP ONE: Determine that part of the sum of the amounts under IC 6-1.1-21-2(g)(1)(A), IC 6-1.1-21-2(g)(2), IC 6-1.1-21-2(g)(3), IC 6-1.1-21-2(g)(4), and IC 6-1.1-21-2(g)(5) (before their repeal) that is attributable to the taxing district.

STEP TWO: Divide:

- (i) that part of each county's eligible property tax replacement amount (as defined in IC 6-1.1-21-2 (before its repeal)) for that year as determined under IC 6-1.1-21-4 (before its repeal) that is attributable to the taxing district; by
- (ii) the STEP ONE sum.

STEP THREE: Multiply:

- (i) the STEP TWO quotient; times
- (ii) the total amount of the taxpayer's taxes (as defined in IC 6-1.1-21-2 (before its repeal)) levied in the taxing district that have been allocated during that year to an allocation fund under this section.

If not all the taxpayers in an allocation area receive the credit in full, each taxpayer in the allocation area is entitled to receive the same proportion of the credit. A taxpayer may not receive a credit under this section and a credit under section 39.5 of this chapter (before its repeal) in the same year.

(J) Pay expenses incurred by the redevelopment commission for local public improvements that are in the allocation area or serving the allocation area. Public improvements include buildings, parking facilities, and other items described in section 25.1(a) of this chapter.

(K) Reimburse public and private entities for expenses

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1 incurred in training employees of industrial facilities that are  
 2 located:  
 3 (i) in the allocation area; and  
 4 (ii) on a parcel of real property that has been classified as  
 5 industrial property under the rules of the department of local  
 6 government finance.  
 7 However, the total amount of money spent for this purpose in  
 8 any year may not exceed the total amount of money in the  
 9 allocation fund that is attributable to property taxes paid by the  
 10 industrial facilities described in this clause. The  
 11 reimbursements under this clause must be made within three  
 12 (3) years after the date on which the investments that are the  
 13 basis for the increment financing are made.  
 14 (L) Pay the costs of carrying out an eligible efficiency project  
 15 (as defined in IC 36-9-41-1.5) within the unit that established  
 16 the redevelopment commission. However, property tax  
 17 proceeds may be used under this clause to pay the costs of  
 18 carrying out an eligible efficiency project only if those  
 19 property tax proceeds exceed the amount necessary to do the  
 20 following:  
 21 (i) Make, when due, any payments required under clauses  
 22 (A) through (K), including any payments of principal and  
 23 interest on bonds and other obligations payable under this  
 24 subdivision, any payments of premiums under this  
 25 subdivision on the redemption before maturity of bonds, and  
 26 any payments on leases payable under this subdivision.  
 27 (ii) Make any reimbursements required under this  
 28 subdivision.  
 29 (iii) Pay any expenses required under this subdivision.  
 30 (iv) Establish, augment, or restore any debt service reserve  
 31 under this subdivision.  
 32 (M) Expend money and provide financial assistance as  
 33 authorized in section 12.2(a)(27) of this chapter.  
 34 (N) Expend revenues that are allocated for police and fire  
 35 services on both capital expenditures and operating expenses  
 36 as authorized in section 12.2(a)(28) of this chapter.  
 37 The allocation fund may not be used for operating expenses of the  
 38 commission.  
 39 (5) Except as provided in subsection (g), before June 15 of each  
 40 year, the commission shall do the following:  
 41 (A) Determine the amount, if any, by which the assessed value  
 42 of the taxable property in the allocation area for the most

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recent assessment date minus the base assessed value, when multiplied by the estimated tax rate of the allocation area, will exceed the amount of assessed value needed to produce the property taxes necessary to make, when due, principal and interest payments on bonds described in subdivision (4), plus the amount necessary for other purposes described in subdivision (4).

(B) Provide a written notice to the county auditor, the fiscal body of the county or municipality that established the department of redevelopment, and the officers who are authorized to fix budgets, tax rates, and tax levies under IC 6-1.1-17-5 for each of the other taxing units that is wholly or partly located within the allocation area. The county auditor, upon receiving the notice, shall forward this notice (in an electronic format) to the department of local government finance not later than June 15 of each year. The notice must:

- (i) state the amount, if any, of excess assessed value that the commission has determined may be allocated to the respective taxing units in the manner prescribed in subdivision (1); or
- (ii) state that the commission has determined that there is no excess assessed value that may be allocated to the respective taxing units in the manner prescribed in subdivision (1).

The county auditor shall allocate to the respective taxing units the amount, if any, of excess assessed value determined by the commission. The commission may not authorize an allocation of assessed value to the respective taxing units under this subdivision if to do so would endanger the interests of the holders of bonds described in subdivision (4) or lessors under section 25.3 of this chapter. **If a commission fails to provide the notice under this clause, the county auditor shall allocate five percent (5%) of the assessed value in the allocation area that is used to calculate the allocation and distribution of allocated tax proceeds under this section to the respective taxing units. However, if the commission notifies the county auditor and the department of local government finance, no later than 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**

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1           **value in the allocation area that is used to calculate the**  
2           **allocation and distribution of allocated tax proceeds under**  
3           **this section to the respective taxing units.**  
4           (C) If:  
5           (i) the amount of excess assessed value determined by the  
6           commission is expected to generate more than two hundred  
7           percent (200%) of the amount of allocated tax proceeds  
8           necessary to make, when due, principal and interest  
9           payments on bonds described in subdivision (4); plus  
10          (ii) the amount necessary for other purposes described in  
11          subdivision (4);  
12          the commission shall submit to the legislative body of the unit  
13          its determination of the excess assessed value that the  
14          commission proposes to allocate to the respective taxing units  
15          in the manner prescribed in subdivision (1). The legislative  
16          body of the unit may approve the commission's determination  
17          or modify the amount of the excess assessed value that will be  
18          allocated to the respective taxing units in the manner  
19          prescribed in subdivision (1).  
20          (6) Notwithstanding subdivision (5), in the case of an allocation  
21          area that is established after June 30, 2019, and that is located in  
22          a redevelopment project area described in section 25.1(c)(3)(C)  
23          of this chapter, an economic development area described in  
24          section 25.1(c)(3)(C) of this chapter, or an urban renewal project  
25          area described in section 25.1(c)(3)(C) of this chapter, for each  
26          year the allocation provision is in effect, if the amount of excess  
27          assessed value determined by the commission under subdivision  
28          (5)(A) is expected to generate more than two hundred percent  
29          (200%) of:  
30          (A) the amount of allocated tax proceeds necessary to make,  
31          when due, principal and interest payments on bonds described  
32          in subdivision (4) for the project; plus  
33          (B) the amount necessary for other purposes described in  
34          subdivision (4) for the project;  
35          the amount of the excess assessed value that generates more than  
36          two hundred percent (200%) of the amounts described in clauses  
37          (A) and (B) shall be allocated to the respective taxing units in the  
38          manner prescribed by subdivision (1).  
39          (c) For the purpose of allocating taxes levied by or for any taxing  
40          unit or units, the assessed value of taxable property in a territory in the  
41          allocation area that is annexed by any taxing unit after the effective  
42          date of the allocation provision of the declaratory resolution is the

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1 lesser of:  
2 (1) the assessed value of the property for the assessment date with  
3 respect to which the allocation and distribution is made; or  
4 (2) the base assessed value.  
5 (d) Property tax proceeds allocable to the redevelopment district  
6 under subsection (b)(4) may, subject to subsection (b)(5), be  
7 irrevocably pledged by the redevelopment district for payment as set  
8 forth in subsection (b)(4).  
9 (e) Notwithstanding any other law, each assessor shall, upon  
10 petition of the redevelopment commission, reassess the taxable  
11 property situated upon or in, or added to, the allocation area, effective  
12 on the next assessment date after the petition.  
13 (f) Notwithstanding any other law, the assessed value of all taxable  
14 property in the allocation area, for purposes of tax limitation, property  
15 tax replacement, and formulation of the budget, tax rate, and tax levy  
16 for each political subdivision in which the property is located is the  
17 lesser of:  
18 (1) the assessed value of the property as valued without regard to  
19 this section; or  
20 (2) the base assessed value.  
21 (g) If any part of the allocation area is located in an enterprise zone  
22 created under IC 5-28-15, the unit that designated the allocation area  
23 shall create funds as specified in this subsection. A unit that has  
24 obligations, bonds, or leases payable from allocated tax proceeds under  
25 subsection (b)(4) shall establish an allocation fund for the purposes  
26 specified in subsection (b)(4) and a special zone fund. Such a unit  
27 shall, until the end of the enterprise zone phase out period, deposit each  
28 year in the special zone fund any amount in the allocation fund derived  
29 from property tax proceeds in excess of those described in subsection  
30 (b)(1), (b)(2), and (b)(3) from property located in the enterprise zone  
31 that exceeds the amount sufficient for the purposes specified in  
32 subsection (b)(4) for the year. The amount sufficient for purposes  
33 specified in subsection (b)(4) for the year shall be determined based on  
34 the pro rata portion of such current property tax proceeds from the part  
35 of the enterprise zone that is within the allocation area as compared to  
36 all such current property tax proceeds derived from the allocation area.  
37 A unit that has no obligations, bonds, or leases payable from allocated  
38 tax proceeds under subsection (b)(4) shall establish a special zone fund  
39 and deposit all the property tax proceeds in excess of those described  
40 in subsection (b)(1), (b)(2), and (b)(3) in the fund derived from  
41 property tax proceeds in excess of those described in subsection (b)(1),  
42 (b)(2), and (b)(3) from property located in the enterprise zone. The unit

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1 that creates the special zone fund shall use the fund (based on the  
 2 recommendations of the urban enterprise association) for programs in  
 3 job training, job enrichment, and basic skill development that are  
 4 designed to benefit residents and employers in the enterprise zone or  
 5 other purposes specified in subsection (b)(4), except that where  
 6 reference is made in subsection (b)(4) to allocation area it shall refer  
 7 for purposes of payments from the special zone fund only to that part  
 8 of the allocation area that is also located in the enterprise zone. Those  
 9 programs shall reserve at least one-half (1/2) of their enrollment in any  
 10 session for residents of the enterprise zone.

11 (h) The state board of accounts and department of local government  
 12 finance shall make the rules and prescribe the forms and procedures  
 13 that they consider expedient for the implementation of this chapter.  
 14 After each reassessment in an area under a reassessment plan prepared  
 15 under IC 6-1.1-4-4.2, the ~~department of local government finance~~  
 16 **county auditor shall, on forms prescribed by the department of**  
 17 **local government finance**, adjust the base assessed value one (1) time  
 18 to neutralize any effect of the reassessment of the real property in the  
 19 area on the property tax proceeds allocated to the redevelopment  
 20 district under this section. After each annual adjustment under  
 21 IC 6-1.1-4-4.5, the ~~department of local government finance~~ **county**  
 22 **auditor shall, on forms prescribed by the department of local**  
 23 **government finance**, adjust the base assessed value one (1) time to  
 24 neutralize any effect of the annual adjustment on the property tax  
 25 proceeds allocated to the redevelopment district under this section.  
 26 However, the adjustments under this subsection:

- 27 (1) may not include the effect of phasing in assessed value due to  
 28 property tax abatements under IC 6-1.1-12.1;  
 29 (2) may not produce less property tax proceeds allocable to the  
 30 redevelopment district under subsection (b)(4) than would  
 31 otherwise have been received if the reassessment under the  
 32 reassessment plan or the annual adjustment had not occurred; and  
 33 (3) may decrease base assessed value only to the extent that  
 34 assessed values in the allocation area have been decreased due to  
 35 annual adjustments or the reassessment under the reassessment  
 36 plan.

37 Assessed value increases attributable to the application of an abatement  
 38 schedule under IC 6-1.1-12.1 may not be included in the base assessed  
 39 value of an allocation area. ~~The department of local government~~  
 40 ~~finance may prescribe procedures for county and township officials to~~  
 41 ~~follow to assist the department in making the adjustments.~~ **The county**  
 42 **auditor shall, in the manner prescribed by the department of local**

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1 **government finance, submit the forms required by this subsection**  
2 **to the department of local government finance no later than July**  
3 **15 of each year.**

4 (i) The allocation deadline referred to in subsection (b) is  
5 determined in the following manner:

6 (1) The initial allocation deadline is December 31, 2011.

7 (2) Subject to subdivision (3), the initial allocation deadline and  
8 subsequent allocation deadlines are automatically extended in  
9 increments of five (5) years, so that allocation deadlines  
10 subsequent to the initial allocation deadline fall on December 31,  
11 2016, and December 31 of each fifth year thereafter.

12 (3) At least one (1) year before the date of an allocation deadline  
13 determined under subdivision (2), the general assembly may enact  
14 a law that:

15 (A) terminates the automatic extension of allocation deadlines  
16 under subdivision (2); and

17 (B) specifically designates a particular date as the final  
18 allocation deadline.

19 (j) If a redevelopment commission adopts a declaratory resolution  
20 or an amendment to a declaratory resolution that contains an allocation  
21 provision and the redevelopment commission makes either of the  
22 filings required under section 17(e) of this chapter after the first  
23 anniversary of the effective date of the allocation provision, the auditor  
24 of the county in which the unit is located shall compute the base  
25 assessed value for the allocation area using the assessment date  
26 immediately preceding the later of:

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

29 (2) the date on which the documents are filed with the department  
30 of local government finance.

31 (k) For an allocation area established after June 30, 2025,  
32 "residential property" refers to the assessed value of property that is  
33 allocated to the one percent (1%) homestead land and improvement  
34 categories in the county tax and billing software system.

35 SECTION 150. IC 36-7-14-48, AS AMENDED BY P.L.236-2023,  
36 SECTION 180, IS AMENDED TO READ AS FOLLOWS  
37 [EFFECTIVE UPON PASSAGE]: Sec. 48. (a) Notwithstanding section  
38 39(a) of this chapter, with respect to the allocation and distribution of  
39 property taxes for the accomplishment of a program adopted under  
40 section 45 of this chapter, "base assessed value" means, subject to  
41 section 39(j) of this chapter, the net assessed value of all of the  
42 property, other than personal property, as finally determined for the

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1 assessment date immediately preceding the effective date of the  
2 allocation provision, as 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 a program adopted under section 45  
5 of this chapter may be used only for purposes related to the  
6 accomplishment of the program, including the following:

7 (1) The construction, rehabilitation, or repair of residential units  
8 within the allocation area.

9 (2) The construction, reconstruction, or repair of any  
10 infrastructure (including streets, sidewalks, and sewers) within or  
11 serving the allocation area.

12 (3) The acquisition of real property and interests in real property  
13 within the allocation area.

14 (4) The demolition of real property within the allocation area.

15 (5) The provision of financial assistance to enable individuals and  
16 families to purchase or lease residential units within the allocation  
17 area. However, financial assistance may be provided only to those  
18 individuals and families whose income is at or below the county's  
19 median income for individuals and families, respectively.

20 (6) The provision of financial assistance to neighborhood  
21 development corporations to permit them to provide financial  
22 assistance for the purposes described in subdivision (5).

23 (7) For property taxes first due and payable before January 1,  
24 2009, providing each taxpayer in the allocation area a credit for  
25 property tax replacement as determined under subsections (c) and  
26 (d). However, the commission may provide this credit only if the  
27 municipal legislative body (in the case of a redevelopment  
28 commission established by a municipality) or the county  
29 executive (in the case of a redevelopment commission established  
30 by a county) establishes the credit by ordinance adopted in the  
31 year before the year in which the credit is provided.

32 (c) The maximum credit that may be provided under subsection  
33 (b)(7) to a taxpayer in a taxing district that contains all or part of an  
34 allocation area established for a program adopted under section 45 of  
35 this chapter shall be determined as follows:

36 STEP ONE: Determine that part of the sum of the amounts  
37 described in IC 6-1.1-21-2(g)(1)(A) and IC 6-1.1-21-2(g)(2)  
38 through IC 6-1.1-21-2(g)(5) (before their repeal) that is  
39 attributable to the taxing district.

40 STEP TWO: Divide:

41 (A) that part of each county's eligible property tax replacement  
42 amount (as defined in IC 6-1.1-21-2) (before its repeal) for

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1           that year as determined under IC 6-1.1-21-4(a)(1) (before its  
2           repeal) that is attributable to the taxing district; by  
3           (B) the amount determined under STEP ONE.  
4           STEP THREE: Multiply:  
5           (A) the STEP TWO quotient; by  
6           (B) the taxpayer's taxes (as defined in IC 6-1.1-21-2) (before  
7           its repeal) levied in the taxing district allocated to the  
8           allocation fund, including the amount that would have been  
9           allocated but for the credit.  
10          (d) The commission may determine to grant to taxpayers in an  
11          allocation area from its allocation fund a credit under this section, as  
12          calculated under subsection (c). Except as provided in subsection (g),  
13          one-half (1/2) of the credit shall be applied to each installment of taxes  
14          (as defined in IC 6-1.1-21-2) (before its repeal) that under  
15          IC 6-1.1-22-9 are due and payable in a year. The commission must  
16          provide for the credit annually by a resolution and must find in the  
17          resolution the following:  
18                (1) That the money to be collected and deposited in the allocation  
19                fund, based upon historical collection rates, after granting the  
20                credit will equal the amounts payable for contractual obligations  
21                from the fund, plus ten percent (10%) of those amounts.  
22                (2) If bonds payable from the fund are outstanding, that there is  
23                a debt service reserve for the bonds that at least equals the amount  
24                of the credit to be granted.  
25                (3) If bonds of a lessor under section 25.2 of this chapter or under  
26                IC 36-1-10 are outstanding and if lease rentals are payable from  
27                the fund, that there is a debt service reserve for those bonds that  
28                at least equals the amount of the credit to be granted.  
29          If the tax increment is insufficient to grant the credit in full, the  
30          commission may grant the credit in part, prorated among all taxpayers.  
31          (e) Notwithstanding section 39(b) of this chapter, the allocation  
32          fund established under section 39(b) of this chapter for the allocation  
33          area for a program adopted under section 45 of this chapter may only  
34          be used to do one (1) or more of the following:  
35                (1) Accomplish one (1) or more of the actions set forth in section  
36                39(b)(4)(A) through 39(b)(4)(H) and 39(b)(4)(J) of this chapter  
37                for property that is residential in nature.  
38                (2) Reimburse the county or municipality for expenditures made  
39                by the county or municipality in order to accomplish the housing  
40                program in that allocation area.  
41          The allocation fund may not be used for operating expenses of the  
42          commission.

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1 (f) Notwithstanding section 39(b) of this chapter, the commission  
 2 shall, relative to the allocation fund established under section 39(b) of  
 3 this chapter for an allocation area for a program adopted under section  
 4 45 of this chapter, do the following before June 15 of each year:

5 (1) Determine the amount, if any, by which the assessed value of  
 6 the taxable property in the allocation area for the most recent  
 7 assessment date minus the base assessed value, when multiplied  
 8 by the estimated tax rate of the allocation area, will exceed the  
 9 amount of assessed value needed to produce the property taxes  
 10 necessary to:

11 (A) make the distribution required under section 39(b)(2) and  
 12 39(b)(3) of this chapter;

13 (B) make, when due, principal and interest payments on bonds  
 14 described in section 39(b)(4) of this chapter;

15 (C) pay the amount necessary for other purposes described in  
 16 section 39(b)(4) of this chapter; and

17 (D) reimburse the county or municipality for anticipated  
 18 expenditures described in subsection (e)(2).

19 (2) Provide a written notice to the county auditor, the fiscal body  
 20 of the county or municipality that established the department of  
 21 redevelopment, and the officers who are authorized to fix budgets,  
 22 tax rates, and tax levies under IC 6-1.1-17-5 for each of the other  
 23 taxing units that is wholly or partly located within the allocation  
 24 area. The county auditor, upon receiving the notice, shall forward  
 25 this notice (in an electronic format) to the department of local  
 26 government finance not later than June 15 of each year. The  
 27 notice must:

28 (A) state the amount, if any, of excess property taxes that the  
 29 commission has determined may be paid to the respective  
 30 taxing units in the manner prescribed in section 39(b)(1) of  
 31 this chapter; or

32 (B) state that the commission has determined that there is no  
 33 excess assessed value that may be allocated to the respective  
 34 taxing units in the manner prescribed in subdivision (1).

35 The county auditor shall allocate to the respective taxing units the  
 36 amount, if any, of excess assessed value determined by the  
 37 commission. **If a commission fails to provide the notice under  
 38 this subdivision, the county auditor shall allocate five percent  
 39 (5%) of the assessed value in the allocation area that is used  
 40 to calculate the allocation and distribution of allocated tax  
 41 proceeds under this section to the respective taxing units.  
 42 However, if the commission notifies the county auditor and**

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1 the department of local government finance, no later than  
2 July 1, that it is unable to meet its debt service obligations  
3 with regard to the allocation area without all or part of the  
4 allocated tax proceeds attributed to the assessed value that  
5 has been allocated to the respective taxing units, then the  
6 county auditor may not allocate five percent (5%) of the  
7 assessed value in the allocation area that is used to calculate  
8 the allocation and distribution of allocated tax proceeds under  
9 this section to the respective taxing units.

10 (3) If:

11 (A) the amount of excess assessed value determined by the  
12 commission is expected to generate more than two hundred  
13 percent (200%) of the amount of allocated tax proceeds  
14 necessary to make, when due, principal and interest payments  
15 on bonds described in subdivision (1); plus

16 (B) the amount necessary for other purposes described in  
17 subdivision (1);

18 the commission shall submit to the legislative body of the unit its  
19 determination of the excess assessed value that the commission  
20 proposes to allocate to the respective taxing units in the manner  
21 prescribed in subdivision (2). The legislative body of the unit may  
22 approve the commission's determination or modify the amount of  
23 the excess assessed value that will be allocated to the respective  
24 taxing units in the manner prescribed in subdivision (2).

25 (g) This subsection applies to an allocation area only to the extent  
26 that the net assessed value of property that is assessed as residential  
27 property under the rules of the department of local government finance  
28 is not included in the base assessed value. If property tax installments  
29 with respect to a homestead (as defined in IC 6-1.1-12-37) are due in  
30 installments established by the department of local government finance  
31 under IC 6-1.1-22-9.5, each taxpayer subject to those installments in an  
32 allocation area is entitled to an additional credit under subsection (d)  
33 for the taxes (as defined in IC 6-1.1-21-2) (before its repeal) due in  
34 installments. The credit shall be applied in the same proportion to each  
35 installment of taxes (as defined in IC 6-1.1-21-2) (before its repeal).

36 SECTION 151. IC 36-7-14-52, AS AMENDED BY P.L.236-2023,  
37 SECTION 181, IS AMENDED TO READ AS FOLLOWS  
38 [EFFECTIVE UPON PASSAGE]: Sec. 52. (a) Notwithstanding section  
39 39(a) of this chapter, with respect to the allocation and distribution of  
40 property taxes for the accomplishment of the purposes of an  
41 age-restricted housing program adopted under section 49 of this  
42 chapter, "base assessed value" means, subject to section 39(j) of this

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1 chapter, the net assessed value of all of the property, other than  
2 personal property, as finally determined for the assessment date  
3 immediately preceding the effective date of the allocation provision, as  
4 adjusted under section 39(h) of this chapter.

5 (b) The allocation fund established under section 39(b) of this  
6 chapter for the allocation area for an age-restricted housing program  
7 adopted under section 49 of this chapter may be used only for purposes  
8 related to the accomplishment of the purposes of the program,  
9 including, but not limited to, the following:

10 (1) The construction of any infrastructure (including streets,  
11 sidewalks, and sewers) or local public improvements in, serving,  
12 or benefiting the allocation area.

13 (2) The acquisition of real property and interests in real property  
14 within the allocation area.

15 (3) The preparation of real property in anticipation of  
16 development of the real property within the allocation area.

17 (4) To do any of the following:

18 (A) Pay the principal of and interest on bonds or any other  
19 obligations payable from allocated tax proceeds in the  
20 allocation area that are incurred by the redevelopment district  
21 for the purpose of financing or refinancing the age-restricted  
22 housing program established under section 49 of this chapter  
23 for the 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 the allocation area.

27 (C) Pay the principal of and interest on bonds payable from  
28 allocated tax proceeds in the allocation area and from the  
29 special tax levied under section 27 of this chapter.

30 (D) Pay the principal of and interest on bonds issued by the  
31 unit to pay for local public improvements that are physically  
32 located in or physically connected to the allocation area.

33 (E) Pay premiums on the redemption before maturity of bonds  
34 payable solely or in part from allocated tax proceeds in the  
35 allocation area.

36 (F) Make payments on leases payable from allocated tax  
37 proceeds in the allocation area under section 25.2 of this  
38 chapter.

39 (G) Reimburse the unit for expenditures made by the unit for  
40 local public improvements (which include buildings, parking  
41 facilities, and other items described in section 25.1(a) of this  
42 chapter) that are physically located in or physically connected

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1 to the allocation area.  
2 (c) Notwithstanding section 39(b) of this chapter, the commission  
3 shall, relative to the allocation fund established under section 39(b) of  
4 this chapter for an allocation area for an age-restricted housing program  
5 adopted under section 49 of this chapter, do the following before June  
6 15 of each year:

7 (1) Determine the amount, if any, by which the assessed value of  
8 the taxable property in the allocation area for the most recent  
9 assessment date minus the base assessed value, when multiplied  
10 by the estimated tax rate of the allocation area, will exceed the  
11 amount of assessed value needed to produce the property taxes  
12 necessary to:

- 13 (A) make the distribution required under section 39(b)(2) and
- 14 39(b)(3) of this chapter;
- 15 (B) make, when due, principal and interest payments on bonds
- 16 described in section 39(b)(4) of this chapter;
- 17 (C) pay the amount necessary for other purposes described in
- 18 section 39(b)(4) of this chapter; and
- 19 (D) reimburse the county or municipality for anticipated
- 20 expenditures described in subsection (b)(2).

21 (2) Provide a written notice to the county auditor, the fiscal body  
22 of the county or municipality that established the department of  
23 redevelopment, and the officers who are authorized to fix budgets,  
24 tax rates, and tax levies under IC 6-1.1-17-5 for each of the other  
25 taxing units that is wholly or partly located within the allocation  
26 area. The county auditor, upon receiving the notice, shall forward  
27 this notice (in an electronic format) to the department of local  
28 government finance not later than June 15 of each year. The  
29 notice must:

- 30 (A) state the amount, if any, of excess property taxes that the
- 31 commission has determined may be paid to the respective
- 32 taxing units in the manner prescribed in section 39(b)(1) of
- 33 this chapter; or
- 34 (B) state that the commission has determined that there is no
- 35 excess assessed value that may be allocated to the respective
- 36 taxing units in the manner prescribed in subdivision (1).

37 The county auditor shall allocate to the respective taxing units the  
38 amount, if any, of excess assessed value determined by the  
39 commission. **If a commission fails to provide the notice under**  
40 **subdivision (2), the county auditor shall allocate five percent (5%)**  
41 **of the assessed value in the allocation area that is used to calculate**  
42 **the allocation and distribution of allocated tax proceeds under this**

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1 section to the respective taxing units. However, if the commission  
2 notifies the county auditor and the department of local government  
3 finance, no later than July 1, that it is unable to meet its debt  
4 service obligations with regard to the allocation area without all or  
5 part of the allocated tax proceeds attributed to the assessed value  
6 that has been allocated to the respective taxing units, then the  
7 county auditor may not allocate five percent (5%) of the assessed  
8 value in the allocation area that is used to calculate the allocation  
9 and distribution of allocated tax proceeds under this section to the  
10 respective taxing units.

11 SECTION 152. IC 36-7-14.2-1, AS ADDED BY P.L.80-2014,  
12 SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
13 UPON PASSAGE]: Sec. 1. As used in this chapter, "property taxes"  
14 means:

- 15 (1) property taxes, as described in:
  - 16 (A) ~~IC 6-1.1-39-5(g)~~; IC 6-1.1-39-5(h);
  - 17 (B) IC 36-7-14-39(a);
  - 18 (C) IC 36-7-14-39.2;
  - 19 (D) IC 36-7-14-39.3(c);
  - 20 (E) IC 36-7-14.5-12.5;
  - 21 (F) IC 36-7-15.1-26(a);
  - 22 (G) IC 36-7-15.1-26.2(c);
  - 23 (H) IC 36-7-15.1-53(a);
  - 24 (I) IC 36-7-15.1-55(c);
  - 25 (J) IC 36-7-30-25(a)(3);
  - 26 (K) IC 36-7-30-26(c);
  - 27 (L) IC 36-7-30.5-30; or
  - 28 (M) IC 36-7-30.5-31; and

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

31 SECTION 153. IC 36-7-15.1-26, AS AMENDED BY P.L.174-2022,  
32 SECTION 72, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
33 UPON PASSAGE]: Sec. 26. (a) As used in this section:

34 "Allocation area" means that part of a redevelopment project area  
35 to which an allocation provision of a resolution adopted under section  
36 8 of this chapter refers for purposes of distribution and allocation of  
37 property taxes.

38 "Base assessed value" means, subject to subsection (j), the  
39 following:

- 40 (1) If an allocation provision is adopted after June 30, 1995, in a  
41 declaratory resolution or an amendment to a declaratory  
42 resolution establishing an economic development area:

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- 1 (A) the net assessed value of all the property as finally  
 2 determined for the assessment date immediately preceding the  
 3 effective date of the allocation provision of the declaratory  
 4 resolution, as adjusted under subsection (h); plus  
 5 (B) to the extent that it is not included in clause (A), the net  
 6 assessed value of property that is assessed as residential  
 7 property under the rules of the department of local government  
 8 finance, within the allocation area, as finally determined for  
 9 the current assessment date.
- 10 (2) If an allocation provision is adopted after June 30, 1997, in a  
 11 declaratory resolution or an amendment to a declaratory  
 12 resolution establishing a redevelopment project area:  
 13 (A) the net assessed value of all the property as finally  
 14 determined for the assessment date immediately preceding the  
 15 effective date of the allocation provision of the declaratory  
 16 resolution, as adjusted under subsection (h); plus  
 17 (B) to the extent that it is not included in clause (A), the net  
 18 assessed value of property that is assessed as residential  
 19 property under the rules of the department of local government  
 20 finance, within the allocation area, as finally determined for  
 21 the current assessment date.
- 22 (3) If:  
 23 (A) an allocation provision adopted before June 30, 1995, in  
 24 a declaratory resolution or an amendment to a declaratory  
 25 resolution establishing a redevelopment project area expires  
 26 after June 30, 1997; and  
 27 (B) after June 30, 1997, a new allocation provision is included  
 28 in an amendment to the declaratory resolution;  
 29 the net assessed value of all the property as finally determined for  
 30 the assessment date immediately preceding the effective date of  
 31 the allocation provision adopted after June 30, 1997, as adjusted  
 32 under subsection (h).
- 33 (4) Except as provided in subdivision (5), for all other allocation  
 34 areas, the net assessed value of all the property as finally  
 35 determined for the assessment date immediately preceding the  
 36 effective date of the allocation provision of the declaratory  
 37 resolution, as adjusted under subsection (h).
- 38 (5) If an allocation area established in an economic development  
 39 area before July 1, 1995, is expanded after June 30, 1995, the  
 40 definition in subdivision (1) applies to the expanded part of the  
 41 area added after June 30, 1995.
- 42 (6) If an allocation area established in a redevelopment project

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1 area before July 1, 1997, is expanded after June 30, 1997, the  
 2 definition in subdivision (2) applies to the expanded part of the  
 3 area added after June 30, 1997.

4 Except as provided in section 26.2 of this chapter, "property taxes"  
 5 means taxes imposed under IC 6-1.1 on real property. However, upon  
 6 approval by a resolution of the redevelopment commission adopted  
 7 before June 1, 1987, "property taxes" also includes taxes imposed  
 8 under IC 6-1.1 on depreciable personal property. If a redevelopment  
 9 commission adopted before June 1, 1987, a resolution to include within  
 10 the definition of property taxes, taxes imposed under IC 6-1.1 on  
 11 depreciable personal property that has a useful life in excess of eight  
 12 (8) years, the commission may by resolution determine the percentage  
 13 of taxes imposed under IC 6-1.1 on all depreciable personal property  
 14 that will be included within the definition of property taxes. However,  
 15 the percentage included must not exceed twenty-five percent (25%) of  
 16 the taxes imposed under IC 6-1.1 on all depreciable personal property.

17 (b) A resolution adopted under section 8 of this chapter on or before  
 18 the allocation deadline determined under subsection (i) may include a  
 19 provision with respect to the allocation and distribution of property  
 20 taxes for the purposes and in the manner provided in this section. A  
 21 resolution previously adopted may include an allocation provision by  
 22 the amendment of that resolution on or before the allocation deadline  
 23 determined under subsection (i) in accordance with the procedures  
 24 required for its original adoption. A declaratory resolution or  
 25 amendment that establishes an allocation provision must include a  
 26 specific finding of fact, supported by evidence, that the adoption of the  
 27 allocation provision will result in new property taxes in the area that  
 28 would not have been generated but for the adoption of the allocation  
 29 provision. For an allocation area established before July 1, 1995, the  
 30 expiration date of any allocation provisions for the allocation area is  
 31 June 30, 2025, or the last date of any obligations that are outstanding  
 32 on July 1, 2015, whichever is later. However, for an allocation area  
 33 identified as the Consolidated Allocation Area in the report submitted  
 34 in 2013 to the fiscal body under section 36.3 of this chapter, the  
 35 expiration date of any allocation provisions for the allocation area is  
 36 January 1, 2051. A declaratory resolution or an amendment that  
 37 establishes an allocation provision after June 30, 1995, must specify an  
 38 expiration date for the allocation provision. For an allocation area  
 39 established before July 1, 2008, the expiration date may not be more  
 40 than thirty (30) years after the date on which the allocation provision  
 41 is established. For an allocation area established after June 30, 2008,  
 42 the expiration date may not be more than twenty-five (25) years after

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1 the date on which the first obligation was incurred to pay principal and  
 2 interest on bonds or lease rentals on leases payable from tax increment  
 3 revenues. However, with respect to bonds or other obligations that were  
 4 issued before July 1, 2008, if any of the bonds or other obligations that  
 5 were scheduled when issued to mature before the specified expiration  
 6 date and that are payable only from allocated tax proceeds with respect  
 7 to the allocation area remain outstanding as of the expiration date, the  
 8 allocation provision does not expire until all of the bonds or other  
 9 obligations are no longer outstanding. The allocation provision may  
 10 apply to all or part of the redevelopment project area. The allocation  
 11 provision must require that any property taxes subsequently levied by  
 12 or for the benefit of any public body entitled to a distribution of  
 13 property taxes on taxable property in the allocation area be allocated  
 14 and distributed as follows:

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

17 (A) the assessed value of the property for the assessment date  
 18 with respect to which the allocation and distribution is made;  
 19 or

20 (B) the base assessed value;

21 shall be allocated to and, when collected, paid into the funds of  
 22 the respective taxing units.

23 (2) The excess of the proceeds of the property taxes imposed for  
 24 the assessment date with respect to which the allocation and  
 25 distribution is made that are attributable to taxes imposed after  
 26 being approved by the voters in a referendum or local public  
 27 question conducted after April 30, 2010, not otherwise included  
 28 in subdivision (1) shall be allocated to and, when collected, paid  
 29 into the funds of the taxing unit for which the referendum or local  
 30 public question was conducted.

31 (3) Except as otherwise provided in this section, property tax  
 32 proceeds in excess of those described in subdivisions (1) and (2)  
 33 shall be allocated to the redevelopment district and, when  
 34 collected, paid into a special fund for that allocation area that may  
 35 be used by the redevelopment district only to do one (1) or more  
 36 of the following:

37 (A) Pay the principal of and interest on any obligations  
 38 payable solely from allocated tax proceeds that are incurred by  
 39 the redevelopment district for the purpose of financing or  
 40 refinancing the redevelopment of that allocation area.

41 (B) Establish, augment, or restore the debt service reserve for  
 42 bonds payable solely or in part from allocated tax proceeds in

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- 1 that allocation area.
- 2 (C) Pay the principal of and interest on bonds payable from
- 3 allocated tax proceeds in that allocation area and from the
- 4 special tax levied under section 19 of this chapter.
- 5 (D) Pay the principal of and interest on bonds issued by the
- 6 consolidated city to pay for local public improvements that are
- 7 physically located in or physically connected to that allocation
- 8 area.
- 9 (E) Pay premiums on the redemption before maturity of bonds
- 10 payable solely or in part from allocated tax proceeds in that
- 11 allocation area.
- 12 (F) Make payments on leases payable from allocated tax
- 13 proceeds in that allocation area under section 17.1 of this
- 14 chapter.
- 15 (G) Reimburse the consolidated city for expenditures for local
- 16 public improvements (which include buildings, parking
- 17 facilities, and other items set forth in section 17 of this
- 18 chapter) that are physically located in or physically connected
- 19 to that allocation area.
- 20 (H) Reimburse the unit for rentals paid by it for a building or
- 21 parking facility that is physically located in or physically
- 22 connected to that allocation area under any lease entered into
- 23 under IC 36-1-10.
- 24 (I) Reimburse public and private entities for expenses incurred
- 25 in training employees of industrial facilities that are located:
- 26 (i) in the allocation area; and
- 27 (ii) on a parcel of real property that has been classified as
- 28 industrial property under the rules of the department of local
- 29 government finance.
- 30 However, the total amount of money spent for this purpose in
- 31 any year may not exceed the total amount of money in the
- 32 allocation fund that is attributable to property taxes paid by the
- 33 industrial facilities described in this clause. The
- 34 reimbursements under this clause must be made within three
- 35 (3) years after the date on which the investments that are the
- 36 basis for the increment financing are made.
- 37 (J) Pay the costs of carrying out an eligible efficiency project
- 38 (as defined in IC 36-9-41-1.5) within the unit that established
- 39 the redevelopment commission. However, property tax
- 40 proceeds may be used under this clause to pay the costs of
- 41 carrying out an eligible efficiency project only if those
- 42 property tax proceeds exceed the amount necessary to do the

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- 1 following:
- 2 (i) Make, when due, any payments required under clauses
- 3 (A) through (I), including any payments of principal and
- 4 interest on bonds and other obligations payable under this
- 5 subdivision, any payments of premiums under this
- 6 subdivision on the redemption before maturity of bonds, and
- 7 any payments on leases payable under this subdivision.
- 8 (ii) Make any reimbursements required under this
- 9 subdivision.
- 10 (iii) Pay any expenses required under this subdivision.
- 11 (iv) Establish, augment, or restore any debt service reserve
- 12 under this subdivision.

13 (K) Expend money and provide financial assistance as  
 14 authorized in section 7(a)(21) of this chapter.

15 The special fund may not be used for operating expenses of the  
 16 commission.

17 (4) Before June 15 of each year, the commission shall do the  
 18 following:

19 (A) Determine the amount, if any, by which the assessed value  
 20 of the taxable property in the allocation area for the most  
 21 recent assessment date minus the base assessed value, when  
 22 multiplied by the estimated tax rate of the allocation area will  
 23 exceed the amount of assessed value needed to provide the  
 24 property taxes necessary to make, when due, principal and  
 25 interest payments on bonds described in subdivision (3) plus  
 26 the amount necessary for other purposes described in  
 27 subdivision (3) and subsection (g).

28 (B) Provide a written notice to the county auditor, the  
 29 legislative body of the consolidated city, the officers who are  
 30 authorized to fix budgets, tax rates, and tax levies under  
 31 IC 6-1.1-17-5 for each of the other taxing units that is wholly  
 32 or partly located within the allocation area, and (in an  
 33 electronic format) the department of local government finance.

34 The notice must:

- 35 (i) state the amount, if any, of excess assessed value that the
- 36 commission has determined may be allocated to the
- 37 respective taxing units in the manner prescribed in
- 38 subdivision (1); or
- 39 (ii) state that the commission has determined that there is no
- 40 excess assessed value that may be allocated to the respective
- 41 taxing units in the manner prescribed in subdivision (1).

42 The county auditor shall allocate to the respective taxing units

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1 the amount, if any, of excess assessed value determined by the  
 2 commission. The commission may not authorize an allocation  
 3 to the respective taxing units under this subdivision if to do so  
 4 would endanger the interests of the holders of bonds described  
 5 in subdivision (3). **If a commission fails to provide the**  
 6 **notice under this clause, the county auditor shall allocate**  
 7 **five percent (5%) of the assessed value in the allocation**  
 8 **area that is used to calculate the allocation and distribution**  
 9 **of allocated tax proceeds under this section to the**  
 10 **respective taxing units. However, if the commission notifies**  
 11 **the county auditor and the department of local government**  
 12 **finance, no later than July 1, that it is unable to meet its**  
 13 **debt service obligations with regard to the allocation area**  
 14 **without all or part of the allocated tax proceeds attributed**  
 15 **to the assessed value that has been allocated to the**  
 16 **respective taxing units, then the county auditor may not**  
 17 **allocate five percent (5%) of the assessed value in the**  
 18 **allocation area that is used to calculate the allocation and**  
 19 **distribution of allocated tax proceeds under this section to**  
 20 **the respective taxing units.**

21 (C) If:  
 22 (i) the amount of excess assessed value determined by the  
 23 commission is expected to generate more than two hundred  
 24 percent (200%) of the amount of allocated tax proceeds  
 25 necessary to make, when due, principal and interest  
 26 payments on bonds described in subdivision (3); plus  
 27 (ii) the amount necessary for other purposes described in  
 28 subdivision (3) and subsection (g);  
 29 the commission shall submit to the legislative body of the unit  
 30 the commission's determination of the excess assessed value  
 31 that the commission proposes to allocate to the respective  
 32 taxing units in the manner prescribed in subdivision (1). The  
 33 legislative body of the unit may approve the commission's  
 34 determination or modify the amount of the excess assessed  
 35 value that will be allocated to the respective taxing units in the  
 36 manner prescribed in subdivision (1).

37 (c) For the purpose of allocating taxes levied by or for any taxing  
 38 unit or units, the assessed value of taxable property in a territory in the  
 39 allocation area that is annexed by any taxing unit after the effective  
 40 date of the allocation provision of the resolution is the lesser of:

41 (1) the assessed value of the property for the assessment date with  
 42 respect to which the allocation and distribution is made; or

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- 1 (2) the base assessed value.
- 2 (d) Property tax proceeds allocable to the redevelopment district
- 3 under subsection (b)(3) may, subject to subsection (b)(4), be
- 4 irrevocably pledged by the redevelopment district for payment as set
- 5 forth in subsection (b)(3).
- 6 (e) Notwithstanding any other law, each assessor shall, upon
- 7 petition of the commission, reassess the taxable property situated upon
- 8 or in, or added to, the allocation area, effective on the next assessment
- 9 date after the petition.
- 10 (f) Notwithstanding any other law, the assessed value of all taxable
- 11 property in the allocation area, for purposes of tax limitation, property
- 12 tax replacement, and formulation of the budget, tax rate, and tax levy
- 13 for each political subdivision in which the property is located is the
- 14 lesser of:
  - 15 (1) the assessed value of the property as valued without regard to
  - 16 this section; or
  - 17 (2) the base assessed value.
- 18 (g) If any part of the allocation area is located in an enterprise zone
- 19 created under IC 5-28-15, the unit that designated the allocation area
- 20 shall create funds as specified in this subsection. A unit that has
- 21 obligations, bonds, or leases payable from allocated tax proceeds under
- 22 subsection (b)(3) shall establish an allocation fund for the purposes
- 23 specified in subsection (b)(3) and a special zone fund. Such a unit
- 24 shall, until the end of the enterprise zone phase out period, deposit each
- 25 year in the special zone fund the amount in the allocation fund derived
- 26 from property tax proceeds in excess of those described in subsection
- 27 (b)(1) and (b)(2) from property located in the enterprise zone that
- 28 exceeds the amount sufficient for the purposes specified in subsection
- 29 (b)(3) for the year. A unit that has no obligations, bonds, or leases
- 30 payable from allocated tax proceeds under subsection (b)(3) shall
- 31 establish a special zone fund and deposit all the property tax proceeds
- 32 in excess of those described in subsection (b)(1) and (b)(2) in the fund
- 33 derived from property tax proceeds in excess of those described in
- 34 subsection (b)(1) and (b)(2) from property located in the enterprise
- 35 zone. The unit that creates the special zone fund shall use the fund,
- 36 based on the recommendations of the urban enterprise association, for
- 37 one (1) or more of the following purposes:
  - 38 (1) To pay for programs in job training, job enrichment, and basic
  - 39 skill development designed to benefit residents and employers in
  - 40 the enterprise zone. The programs must reserve at least one-half
  - 41 (1/2) of the enrollment in any session for residents of the
  - 42 enterprise zone.

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1 (2) To make loans and grants for the purpose of stimulating  
2 business activity in the enterprise zone or providing employment  
3 for enterprise zone residents in the enterprise zone. These loans  
4 and grants may be made to the following:

- 5 (A) Businesses operating in the enterprise zone.
- 6 (B) Businesses that will move their operations to the enterprise  
7 zone if such a loan or grant is made.

8 (3) To provide funds to carry out other purposes specified in  
9 subsection (b)(3). However, where reference is made in  
10 subsection (b)(3) to the allocation area, the reference refers for  
11 purposes of payments from the special zone fund only to that part  
12 of the allocation area that is also located in the enterprise zone.

13 (h) The state board of accounts and department of local government  
14 finance shall make the rules and prescribe the forms and procedures  
15 that they consider expedient for the implementation of this chapter.  
16 After each reassessment under a reassessment plan prepared under  
17 IC 6-1.1-4-4.2, the ~~department of local government finance county~~  
18 **auditor shall, on forms prescribed by the department of local**  
19 **government finance**, adjust the base assessed value one (1) time to  
20 neutralize any effect of the reassessment of the real property in the area  
21 on the property tax proceeds allocated to the redevelopment district  
22 under this section. After each annual adjustment under IC 6-1.1-4-4.5,  
23 the ~~department of local government finance county auditor~~ shall, **on**  
24 **forms prescribed by the department of local government finance**,  
25 adjust the base assessed value to neutralize any effect of the annual  
26 adjustment on the property tax proceeds allocated to the redevelopment  
27 district under this section. However, the adjustments under this  
28 subsection may not include the effect of property tax abatements under  
29 IC 6-1.1-12.1, and these adjustments may not produce less property tax  
30 proceeds allocable to the redevelopment district under subsection  
31 (b)(3) than would otherwise have been received if the reassessment  
32 under the reassessment plan or annual adjustment had not occurred.  
33 ~~The department of local government finance may prescribe procedures~~  
34 ~~for county and township officials to follow to assist the department in~~  
35 ~~making the adjustments.~~ **The county auditor shall, in the manner**  
36 **prescribed by the department of local government finance, submit**  
37 **the forms required by this subsection to the department of local**  
38 **government finance no later than July 15 of each year.**

39 (i) The allocation deadline referred to in subsection (b) is  
40 determined in the following manner:

- 41 (1) The initial allocation deadline is December 31, 2011.
- 42 (2) Subject to subdivision (3), the initial allocation deadline and

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1 subsequent allocation deadlines are automatically extended in  
 2 increments of five (5) years, so that allocation deadlines  
 3 subsequent to the initial allocation deadline fall on December 31,  
 4 2016, and December 31 of each fifth year thereafter.

5 (3) At least one (1) year before the date of an allocation deadline  
 6 determined under subdivision (2), the general assembly may enact  
 7 a law that:

8 (A) terminates the automatic extension of allocation deadlines  
 9 under subdivision (2); and

10 (B) specifically designates a particular date as the final  
 11 allocation deadline.

12 (j) If the commission adopts a declaratory resolution or an  
 13 amendment to a declaratory resolution that contains an allocation  
 14 provision and the commission makes either of the filings required  
 15 under section 10(e) of this chapter after the first anniversary of the  
 16 effective date of the allocation provision, the auditor of the county in  
 17 which the unit is located shall compute the base assessed value for the  
 18 allocation area using the assessment date immediately preceding the  
 19 later of:

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

22 (2) the date on which the documents are filed with the department  
 23 of local government finance.

24 (k) For an allocation area established after June 30, 2024,  
 25 "residential property" refers to the assessed value of property that is  
 26 allocated to the one percent (1%) homestead land and improvement  
 27 categories in the county tax and billing software system, along with the  
 28 residential assessed value as defined for purposes of calculating the  
 29 rate for the local income tax property tax relief credit designated for  
 30 residential property under IC 6-3.6-5-6(d)(3).

31 SECTION 154. IC 36-7-15.1-26, AS AMENDED BY P.L.68-2025,  
 32 SECTION 235, IS AMENDED TO READ AS FOLLOWS  
 33 [EFFECTIVE JULY 1, 2028]: Sec. 26. (a) As used in this section:

34 "Allocation area" means that part of a redevelopment project area  
 35 to which an allocation provision of a resolution adopted under section  
 36 8 of this chapter refers for purposes of distribution and allocation of  
 37 property taxes.

38 "Base assessed value" means, subject to subsection (j), the  
 39 following:

40 (1) If an allocation provision is adopted after June 30, 1995, in a  
 41 declaratory resolution or an amendment to a declaratory  
 42 resolution establishing an economic development area:

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- 1 (A) the net assessed value of all the property as finally
- 2 determined for the assessment date immediately preceding the
- 3 effective date of the allocation provision of the declaratory
- 4 resolution, as adjusted under subsection (h); plus
- 5 (B) to the extent that it is not included in clause (A), the net
- 6 assessed value of property that is assessed as residential
- 7 property under the rules of the department of local government
- 8 finance, within the allocation area, as finally determined for
- 9 the current assessment date.
- 10 (2) If an allocation provision is adopted after June 30, 1997, in a
- 11 declaratory resolution or an amendment to a declaratory
- 12 resolution establishing a redevelopment project area:
- 13 (A) the net assessed value of all the property as finally
- 14 determined for the assessment date immediately preceding the
- 15 effective date of the allocation provision of the declaratory
- 16 resolution, as adjusted under subsection (h); plus
- 17 (B) to the extent that it is not included in clause (A), the net
- 18 assessed value of property that is assessed as residential
- 19 property under the rules of the department of local government
- 20 finance, within the allocation area, as finally determined for
- 21 the current assessment date.
- 22 (3) If:
- 23 (A) an allocation provision adopted before June 30, 1995, in
- 24 a declaratory resolution or an amendment to a declaratory
- 25 resolution establishing a redevelopment project area expires
- 26 after June 30, 1997; and
- 27 (B) after June 30, 1997, a new allocation provision is included
- 28 in an amendment to the declaratory resolution;
- 29 the net assessed value of all the property as finally determined for
- 30 the assessment date immediately preceding the effective date of
- 31 the allocation provision adopted after June 30, 1997, as adjusted
- 32 under subsection (h).
- 33 (4) Except as provided in subdivision (5), for all other allocation
- 34 areas, the net assessed value of all the property as finally
- 35 determined for the assessment date immediately preceding the
- 36 effective date of the allocation provision of the declaratory
- 37 resolution, as adjusted under subsection (h).
- 38 (5) If an allocation area established in an economic development
- 39 area before July 1, 1995, is expanded after June 30, 1995, the
- 40 definition in subdivision (1) applies to the expanded part of the
- 41 area added after June 30, 1995.
- 42 (6) If an allocation area established in a redevelopment project

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1 area before July 1, 1997, is expanded after June 30, 1997, the  
2 definition in subdivision (2) applies to the expanded part of the  
3 area added after June 30, 1997.

4 Except as provided in section 26.2 of this chapter, "property taxes"  
5 means taxes imposed under IC 6-1.1 on real property. However, upon  
6 approval by a resolution of the redevelopment commission adopted  
7 before June 1, 1987, "property taxes" also includes taxes imposed  
8 under IC 6-1.1 on depreciable personal property. If a redevelopment  
9 commission adopted before June 1, 1987, a resolution to include within  
10 the definition of property taxes, taxes imposed under IC 6-1.1 on  
11 depreciable personal property that has a useful life in excess of eight  
12 (8) years, the commission may by resolution determine the percentage  
13 of taxes imposed under IC 6-1.1 on all depreciable personal property  
14 that will be included within the definition of property taxes. However,  
15 the percentage included must not exceed twenty-five percent (25%) of  
16 the taxes imposed under IC 6-1.1 on all depreciable personal property.

17 (b) A resolution adopted under section 8 of this chapter on or before  
18 the allocation deadline determined under subsection (i) may include a  
19 provision with respect to the allocation and distribution of property  
20 taxes for the purposes and in the manner provided in this section. A  
21 resolution previously adopted may include an allocation provision by  
22 the amendment of that resolution on or before the allocation deadline  
23 determined under subsection (i) in accordance with the procedures  
24 required for its original adoption. A declaratory resolution or  
25 amendment that establishes an allocation provision must include a  
26 specific finding of fact, supported by evidence, that the adoption of the  
27 allocation provision will result in new property taxes in the area that  
28 would not have been generated but for the adoption of the allocation  
29 provision. For an allocation area established before July 1, 1995, the  
30 expiration date of any allocation provisions for the allocation area is  
31 June 30, 2025, or the last date of any obligations that are outstanding  
32 on July 1, 2015, whichever is later. However, for an allocation area  
33 identified as the Consolidated Allocation Area in the report submitted  
34 in 2013 to the fiscal body under section 36.3 of this chapter, the  
35 expiration date of any allocation provisions for the allocation area is  
36 January 1, 2051. A declaratory resolution or an amendment that  
37 establishes an allocation provision after June 30, 1995, must specify an  
38 expiration date for the allocation provision. For an allocation area  
39 established before July 1, 2008, the expiration date may not be more  
40 than thirty (30) years after the date on which the allocation provision  
41 is established. For an allocation area established after June 30, 2008,  
42 the expiration date may not be more than twenty-five (25) years after

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1 the date on which the first obligation was incurred to pay principal and  
 2 interest on bonds or lease rentals on leases payable from tax increment  
 3 revenues. However, with respect to bonds or other obligations that were  
 4 issued before July 1, 2008, if any of the bonds or other obligations that  
 5 were scheduled when issued to mature before the specified expiration  
 6 date and that are payable only from allocated tax proceeds with respect  
 7 to the allocation area remain outstanding as of the expiration date, the  
 8 allocation provision does not expire until all of the bonds or other  
 9 obligations are no longer outstanding. The allocation provision may  
 10 apply to all or part of the redevelopment project area. The allocation  
 11 provision must require that any property taxes subsequently levied by  
 12 or for the benefit of any public body entitled to a distribution of  
 13 property taxes on taxable property in the allocation area be allocated  
 14 and distributed as follows:

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

17 (A) the assessed value of the property for the assessment date  
 18 with respect to which the allocation and distribution is made;  
 19 or

20 (B) the base assessed value;

21 shall be allocated to and, when collected, paid into the funds of  
 22 the respective taxing units.

23 (2) The excess of the proceeds of the property taxes imposed for  
 24 the assessment date with respect to which the allocation and  
 25 distribution is made that are attributable to taxes imposed after  
 26 being approved by the voters in a referendum or local public  
 27 question conducted after April 30, 2010, not otherwise included  
 28 in subdivision (1) shall be allocated to and, when collected, paid  
 29 into the funds of the taxing unit for which the referendum or local  
 30 public question was conducted.

31 (3) Except as otherwise provided in this section, property tax  
 32 proceeds in excess of those described in subdivisions (1) and (2)  
 33 shall be allocated to the redevelopment district and, when  
 34 collected, paid into a special fund for that allocation area that may  
 35 be used by the redevelopment district only to do one (1) or more  
 36 of the following:

37 (A) Pay the principal of and interest on any obligations  
 38 payable solely from allocated tax proceeds that are incurred by  
 39 the redevelopment district for the purpose of financing or  
 40 refinancing the redevelopment of that allocation area.

41 (B) Establish, augment, or restore the debt service reserve for  
 42 bonds payable solely or in part from allocated tax proceeds in

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- 1 that allocation area.
- 2 (C) Pay the principal of and interest on bonds payable from
- 3 allocated tax proceeds in that allocation area and from the
- 4 special tax levied under section 19 of this chapter.
- 5 (D) Pay the principal of and interest on bonds issued by the
- 6 consolidated city to pay for local public improvements that are
- 7 physically located in or physically connected to that allocation
- 8 area.
- 9 (E) Pay premiums on the redemption before maturity of bonds
- 10 payable solely or in part from allocated tax proceeds in that
- 11 allocation area.
- 12 (F) Make payments on leases payable from allocated tax
- 13 proceeds in that allocation area under section 17.1 of this
- 14 chapter.
- 15 (G) Reimburse the consolidated city for expenditures for local
- 16 public improvements (which include buildings, parking
- 17 facilities, and other items set forth in section 17 of this
- 18 chapter) that are physically located in or physically connected
- 19 to that allocation area.
- 20 (H) Reimburse the unit for rentals paid by it for a building or
- 21 parking facility that is physically located in or physically
- 22 connected to that allocation area under any lease entered into
- 23 under IC 36-1-10.
- 24 (I) Reimburse public and private entities for expenses incurred
- 25 in training employees of industrial facilities that are located:
- 26 (i) in the allocation area; and
- 27 (ii) on a parcel of real property that has been classified as
- 28 industrial property under the rules of the department of local
- 29 government finance.
- 30 However, the total amount of money spent for this purpose in
- 31 any year may not exceed the total amount of money in the
- 32 allocation fund that is attributable to property taxes paid by the
- 33 industrial facilities described in this clause. The
- 34 reimbursements under this clause must be made within three
- 35 (3) years after the date on which the investments that are the
- 36 basis for the increment financing are made.
- 37 (J) Pay the costs of carrying out an eligible efficiency project
- 38 (as defined in IC 36-9-41-1.5) within the unit that established
- 39 the redevelopment commission. However, property tax
- 40 proceeds may be used under this clause to pay the costs of
- 41 carrying out an eligible efficiency project only if those
- 42 property tax proceeds exceed the amount necessary to do the

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- 1 following:
- 2 (i) Make, when due, any payments required under clauses
- 3 (A) through (I), including any payments of principal and
- 4 interest on bonds and other obligations payable under this
- 5 subdivision, any payments of premiums under this
- 6 subdivision on the redemption before maturity of bonds, and
- 7 any payments on leases payable under this subdivision.
- 8 (ii) Make any reimbursements required under this
- 9 subdivision.
- 10 (iii) Pay any expenses required under this subdivision.
- 11 (iv) Establish, augment, or restore any debt service reserve
- 12 under this subdivision.

13 (K) Expend money and provide financial assistance as  
 14 authorized in section 7(a)(21) of this chapter.

15 The special fund may not be used for operating expenses of the  
 16 commission.

17 (4) Before June 15 of each year, the commission shall do the  
 18 following:

19 (A) Determine the amount, if any, by which the assessed value  
 20 of the taxable property in the allocation area for the most  
 21 recent assessment date minus the base assessed value, when  
 22 multiplied by the estimated tax rate of the allocation area will  
 23 exceed the amount of assessed value needed to provide the  
 24 property taxes necessary to make, when due, principal and  
 25 interest payments on bonds described in subdivision (3) plus  
 26 the amount necessary for other purposes described in  
 27 subdivision (3) and subsection (g).

28 (B) Provide a written notice to the county auditor, the  
 29 legislative body of the consolidated city, the officers who are  
 30 authorized to fix budgets, tax rates, and tax levies under  
 31 IC 6-1.1-17-5 for each of the other taxing units that is wholly  
 32 or partly located within the allocation area, and (in an  
 33 electronic format) the department of local government finance.

34 The notice must:

- 35 (i) state the amount, if any, of excess assessed value that the
- 36 commission has determined may be allocated to the
- 37 respective taxing units in the manner prescribed in
- 38 subdivision (1); or
- 39 (ii) state that the commission has determined that there is no
- 40 excess assessed value that may be allocated to the respective
- 41 taxing units in the manner prescribed in subdivision (1).

42 The county auditor shall allocate to the respective taxing units

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1 the amount, if any, of excess assessed value determined by the  
 2 commission. The commission may not authorize an allocation  
 3 to the respective taxing units under this subdivision if to do so  
 4 would endanger the interests of the holders of bonds described  
 5 in subdivision (3). **If a commission fails to provide the**  
 6 **notice under this clause, the county auditor shall allocate**  
 7 **five percent (5%) of the assessed value in the allocation**  
 8 **area that is used to calculate the allocation and distribution**  
 9 **of allocated tax proceeds under this section to the**  
 10 **respective taxing units. However, if the commission notifies**  
 11 **the county auditor and the department of local government**  
 12 **finance, no later than July 1, that it is unable to meet its**  
 13 **debt service obligations with regard to the allocation area**  
 14 **without all or part of the allocated tax proceeds attributed**  
 15 **to the assessed value that has been allocated to the**  
 16 **respective taxing units, then the county auditor may not**  
 17 **allocate five percent (5%) of the assessed value in the**  
 18 **allocation area that is used to calculate the allocation and**  
 19 **distribution of allocated tax proceeds under this section to**  
 20 **the respective taxing units.**

21 (C) If:

22 (i) the amount of excess assessed value determined by the  
 23 commission is expected to generate more than two hundred  
 24 percent (200%) of the amount of allocated tax proceeds  
 25 necessary to make, when due, principal and interest  
 26 payments on bonds described in subdivision (3); plus

27 (ii) the amount necessary for other purposes described in  
 28 subdivision (3) and subsection (g);

29 the commission shall submit to the legislative body of the unit  
 30 the commission's determination of the excess assessed value  
 31 that the commission proposes to allocate to the respective  
 32 taxing units in the manner prescribed in subdivision (1). The  
 33 legislative body of the unit may approve the commission's  
 34 determination or modify the amount of the excess assessed  
 35 value that will be allocated to the respective taxing units in the  
 36 manner prescribed in subdivision (1).

37 (c) For the purpose of allocating taxes levied by or for any taxing  
 38 unit or units, the assessed value of taxable property in a territory in the  
 39 allocation area that is annexed by any taxing unit after the effective  
 40 date of the allocation provision of the resolution is the lesser of:

41 (1) the assessed value of the property for the assessment date with  
 42 respect to which the allocation and distribution is made; or

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- 1 (2) the base assessed value.
- 2 (d) Property tax proceeds allocable to the redevelopment district  
3 under subsection (b)(3) may, subject to subsection (b)(4), be  
4 irrevocably pledged by the redevelopment district for payment as set  
5 forth in subsection (b)(3).
- 6 (e) Notwithstanding any other law, each assessor shall, upon  
7 petition of the commission, reassess the taxable property situated upon  
8 or in, or added to, the allocation area, effective on the next assessment  
9 date after the petition.
- 10 (f) Notwithstanding any other law, the assessed value of all taxable  
11 property in the allocation area, for purposes of tax limitation, property  
12 tax replacement, and formulation of the budget, tax rate, and tax levy  
13 for each political subdivision in which the property is located is the  
14 lesser of:
- 15 (1) the assessed value of the property as valued without regard to  
16 this section; or  
17 (2) the base assessed value.
- 18 (g) If any part of the allocation area is located in an enterprise zone  
19 created under IC 5-28-15, the unit that designated the allocation area  
20 shall create funds as specified in this subsection. A unit that has  
21 obligations, bonds, or leases payable from allocated tax proceeds under  
22 subsection (b)(3) shall establish an allocation fund for the purposes  
23 specified in subsection (b)(3) and a special zone fund. Such a unit  
24 shall, until the end of the enterprise zone phase out period, deposit each  
25 year in the special zone fund the amount in the allocation fund derived  
26 from property tax proceeds in excess of those described in subsection  
27 (b)(1) and (b)(2) from property located in the enterprise zone that  
28 exceeds the amount sufficient for the purposes specified in subsection  
29 (b)(3) for the year. A unit that has no obligations, bonds, or leases  
30 payable from allocated tax proceeds under subsection (b)(3) shall  
31 establish a special zone fund and deposit all the property tax proceeds  
32 in excess of those described in subsection (b)(1) and (b)(2) in the fund  
33 derived from property tax proceeds in excess of those described in  
34 subsection (b)(1) and (b)(2) from property located in the enterprise  
35 zone. The unit that creates the special zone fund shall use the fund,  
36 based on the recommendations of the urban enterprise association, for  
37 one (1) or more of the following purposes:
- 38 (1) To pay for programs in job training, job enrichment, and basic  
39 skill development designed to benefit residents and employers in  
40 the enterprise zone. The programs must reserve at least one-half  
41 (1/2) of the enrollment in any session for residents of the  
42 enterprise zone.

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1 (2) To make loans and grants for the purpose of stimulating  
 2 business activity in the enterprise zone or providing employment  
 3 for enterprise zone residents in the enterprise zone. These loans  
 4 and grants may be made to the following:

5 (A) Businesses operating in the enterprise zone.

6 (B) Businesses that will move their operations to the enterprise  
 7 zone if such a loan or grant is made.

8 (3) To provide funds to carry out other purposes specified in  
 9 subsection (b)(3). However, where reference is made in  
 10 subsection (b)(3) to the allocation area, the reference refers for  
 11 purposes of payments from the special zone fund only to that part  
 12 of the allocation area that is also located in the enterprise zone.

13 (h) The state board of accounts and department of local government  
 14 finance shall make the rules and prescribe the forms and procedures  
 15 that they consider expedient for the implementation of this chapter.  
 16 After each reassessment under a reassessment plan prepared under  
 17 IC 6-1.1-4-4.2, the ~~department of local government finance~~ **county**  
 18 **auditor shall, on forms prescribed by the department of local**  
 19 **government finance**, adjust the base assessed value one (1) time to  
 20 neutralize any effect of the reassessment of the real property in the area  
 21 on the property tax proceeds allocated to the redevelopment district  
 22 under this section. After each annual adjustment under IC 6-1.1-4-4.5,  
 23 the ~~department of local government finance~~ **county auditor shall, on**  
 24 **forms prescribed by the department of local government finance**,  
 25 adjust the base assessed value to neutralize any effect of the annual  
 26 adjustment on the property tax proceeds allocated to the redevelopment  
 27 district under this section. However, the adjustments under this  
 28 subsection may not include the effect of property tax abatements under  
 29 IC 6-1.1-12.1, and these adjustments may not produce less property tax  
 30 proceeds allocable to the redevelopment district under subsection  
 31 (b)(3) than would otherwise have been received if the reassessment  
 32 under the reassessment plan or annual adjustment had not occurred.  
 33 ~~The department of local government finance may prescribe procedures~~  
 34 ~~for county and township officials to follow to assist the department in~~  
 35 ~~making the adjustments.~~ **The county auditor shall, in the manner**  
 36 **prescribed by the department of local government finance, submit**  
 37 **the forms required by this subsection to the department of local**  
 38 **government finance no later than July 15 of each year.**

39 (i) The allocation deadline referred to in subsection (b) is  
 40 determined in the following manner:

41 (1) The initial allocation deadline is December 31, 2011.

42 (2) Subject to subdivision (3), the initial allocation deadline and

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1 subsequent allocation deadlines are automatically extended in  
 2 increments of five (5) years, so that allocation deadlines  
 3 subsequent to the initial allocation deadline fall on December 31,  
 4 2016, and December 31 of each fifth year thereafter.

5 (3) At least one (1) year before the date of an allocation deadline  
 6 determined under subdivision (2), the general assembly may enact  
 7 a law that:

8 (A) terminates the automatic extension of allocation deadlines  
 9 under subdivision (2); and

10 (B) specifically designates a particular date as the final  
 11 allocation deadline.

12 (j) If the commission adopts a declaratory resolution or an  
 13 amendment to a declaratory resolution that contains an allocation  
 14 provision and the commission makes either of the filings required  
 15 under section 10(e) of this chapter after the first anniversary of the  
 16 effective date of the allocation provision, the auditor of the county in  
 17 which the unit is located shall compute the base assessed value for the  
 18 allocation area using the assessment date immediately preceding the  
 19 later of:

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

22 (2) the date on which the documents are filed with the department  
 23 of local government finance.

24 (k) For an allocation area established after June 30, 2024,  
 25 "residential property" refers to the assessed value of property that is  
 26 allocated to the one percent (1%) homestead land and improvement  
 27 categories in the county tax and billing software system, along with the  
 28 residential assessed value as defined for purposes of calculating the  
 29 rate for the local income tax property tax relief credit designated for  
 30 residential property under IC 6-3.6-5-6(d)(3) (before its expiration).

31 SECTION 155. IC 36-7-15.1-35, AS AMENDED BY P.L.257-2019,  
 32 SECTION 128, IS AMENDED TO READ AS FOLLOWS  
 33 [EFFECTIVE UPON PASSAGE]: Sec. 35. (a) Notwithstanding section  
 34 26(a) of this chapter, with respect to the allocation and distribution of  
 35 property taxes for the accomplishment of a program adopted under  
 36 section 32 of this chapter, "base assessed value" means, subject to  
 37 section 26(j) of this chapter, the net assessed value of all of the land as  
 38 finally determined for the assessment date immediately preceding the  
 39 effective date of the allocation provision, as adjusted under section  
 40 26(h) of this chapter. However, "base assessed value" does not include  
 41 the value of real property improvements to the land.

42 (b) The special fund established under section 26(b) of this chapter

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1 for the allocation area for a program adopted under section 32 of this  
 2 chapter may be used only for purposes related to the accomplishment  
 3 of the program, including the following:

4 (1) The construction, rehabilitation, or repair of residential units  
 5 within the allocation area.

6 (2) The construction, reconstruction, or repair of infrastructure  
 7 (such as streets, sidewalks, and sewers) within or serving the  
 8 allocation area.

9 (3) The acquisition of real property and interests in real property  
 10 within the allocation area.

11 (4) The demolition of real property within the allocation area.

12 (5) To provide financial assistance to enable individuals and  
 13 families to purchase or lease residential units within the allocation  
 14 area. However, financial assistance may be provided only to those  
 15 individuals and families whose income is at or below the county's  
 16 median income for individuals and families, respectively.

17 (6) To provide financial assistance to neighborhood development  
 18 corporations to permit them to provide financial assistance for the  
 19 purposes described in subdivision (5).

20 (7) For property taxes first due and payable before 2009, to  
 21 provide each taxpayer in the allocation area a credit for property  
 22 tax replacement as determined under subsections (c) and (d).  
 23 However, this credit may be provided by the commission only if  
 24 the city-county legislative body establishes the credit by  
 25 ordinance adopted in the year before the year in which the credit  
 26 is provided.

27 (c) The maximum credit that may be provided under subsection  
 28 (b)(7) to a taxpayer in a taxing district that contains all or part of an  
 29 allocation area established for a program adopted under section 32 of  
 30 this chapter shall be determined as follows:

31 STEP ONE: Determine that part of the sum of the amounts  
 32 described in IC 6-1.1-21-2(g)(1)(A) and IC 6-1.1-21-2(g)(2)  
 33 through IC 6-1.1-21-2(g)(5) (before their repeal) that is  
 34 attributable to the taxing district.

35 STEP TWO: Divide:

36 (A) that part of each county's eligible property tax replacement  
 37 amount (as defined in IC 6-1.1-21-2 (before its repeal)) for  
 38 that year as determined under IC 6-1.1-21-4(a)(1) (before its  
 39 repeal) that is attributable to the taxing district; by

40 (B) the amount determined under STEP ONE.

41 STEP THREE: Multiply:

42 (A) the STEP TWO quotient; by

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1 (B) the taxpayer's taxes (as defined in IC 6-1.1-21-2 (before its  
2 repeal)) levied in the taxing district allocated to the allocation  
3 fund, including the amount that would have been allocated but  
4 for the credit.

5 (d) Except as provided in subsection (g), the commission may  
6 determine to grant to taxpayers in an allocation area from its allocation  
7 fund a credit under this section, as calculated under subsection (c), by  
8 applying one-half (1/2) of the credit to each installment of taxes (as  
9 defined in IC 6-1.1-21-2 (before its repeal)) that under IC 6-1.1-22-9  
10 are due and payable in a year. 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)). The commission must  
13 provide for the credit annually by a resolution and must find in the  
14 resolution the following:

15 (1) That the money to be collected and deposited in the allocation  
16 fund, based upon historical collection rates, after granting the  
17 credit will equal the amounts payable for contractual obligations  
18 from the fund, plus ten percent (10%) of those amounts.

19 (2) If bonds payable from the fund are outstanding, that there is  
20 a debt service reserve for the bonds that at least equals the amount  
21 of the credit to be granted.

22 (3) If bonds of a lessor under section 17.1 of this chapter or under  
23 IC 36-1-10 are outstanding and if lease rentals are payable from  
24 the fund, that there is a debt service reserve for those bonds that  
25 at least equals the amount of the credit to be granted.

26 If the tax increment is insufficient to grant the credit in full, the  
27 commission may grant the credit in part, prorated among all taxpayers.

28 (e) Notwithstanding section 26(b) of this chapter, the special fund  
29 established under section 26(b) of this chapter for the allocation area  
30 for a program adopted under section 32 of this chapter may only be  
31 used to do one (1) or more of the following:

32 (1) Accomplish one (1) or more of the actions set forth in section  
33 26(b)(3)(A) through 26(b)(3)(H) of this chapter.

34 (2) Reimburse the consolidated city for expenditures made by the  
35 city in order to accomplish the housing program in that allocation  
36 area.

37 The special fund may not be used for operating expenses of the  
38 commission.

39 (f) Notwithstanding section 26(b) of this chapter, the commission  
40 shall, relative to the special fund established under section 26(b) of this  
41 chapter for an allocation area for a program adopted under section 32  
42 of this chapter, do the following before June 15 of each year:

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- 1 (1) Determine the amount, if any, by which the assessed value of
- 2 the taxable property in the allocation area, when multiplied by the
- 3 estimated tax rate of the allocation area, will exceed the amount
- 4 of assessed value needed to produce the property taxes necessary
- 5 to:
- 6 (A) make the distribution required under section 26(b)(2) of
- 7 this chapter;
- 8 (B) make, when due, principal and interest payments on bonds
- 9 described in section 26(b)(3) of this chapter;
- 10 (C) pay the amount necessary for other purposes described in
- 11 section 26(b)(3) of this chapter; and
- 12 (D) reimburse the consolidated city for anticipated
- 13 expenditures described in subsection (e)(2).
- 14 (2) Provide a written notice to the county auditor, the legislative
- 15 body of the consolidated city, the officers who are authorized to
- 16 fix budgets, tax rates, and tax levies under IC 6-1.1-17-5 for each
- 17 of the other taxing units that is wholly or partly located within the
- 18 allocation area, and (in an electronic format) the department of
- 19 local government finance. The notice must:
- 20 (A) state the amount, if any, of excess assessed value that the
- 21 commission has determined may be allocated to the respective
- 22 taxing units in the manner prescribed in section 26(b)(1) of
- 23 this chapter; or
- 24 (B) state that the commission has determined that there is no
- 25 excess assessed value that may be allocated to the respective
- 26 taxing units in the manner prescribed in section 26(b)(1) of
- 27 this chapter.
- 28 The county auditor shall allocate to the respective taxing units the
- 29 amount, if any, of excess assessed value determined by the
- 30 commission. **If a commission fails to provide the notice under**
- 31 **this subdivision, the county auditor shall allocate five percent**
- 32 **(5%) of the assessed value in the allocation area that is used**
- 33 **to calculate the allocation and distribution of allocated tax**
- 34 **proceeds under this section to the respective taxing units.**
- 35 **However, if the commission notifies the county auditor and**
- 36 **the department of local government finance, no later than**
- 37 **July 1, that it is unable to meet its debt service obligations**
- 38 **with regard to the allocation area without all or part of the**
- 39 **allocated tax proceeds attributed to the assessed value that**
- 40 **has been allocated to the respective taxing units, then the**
- 41 **county auditor may not allocate five percent (5%) of the**
- 42 **assessed value in the allocation area that is used to calculate**

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1           **the allocation and distribution of allocated tax proceeds under**  
 2           **this section to the respective taxing units.**

3           (g) This subsection applies to an allocation area only to the extent  
 4 that the net assessed value of property that is assessed as residential  
 5 property under the rules of the department of local government finance  
 6 is not included in the base assessed value. If property tax installments  
 7 with respect to a homestead (as defined in IC 6-1.1-20.9-1 (before its  
 8 repeal)) are due in installments established by the department of local  
 9 government finance under IC 6-1.1-22-9.5, each taxpayer subject to  
 10 those installments in an allocation area is entitled to an additional  
 11 credit under subsection (d) for the taxes (as defined in IC 6-1.1-21-2  
 12 (before its repeal)) due in installments. The credit shall be applied in  
 13 the same proportion to each installment of taxes (as defined in  
 14 IC 6-1.1-21-2 (before its repeal)).

15           SECTION 156. IC 36-7-15.1-53, AS AMENDED BY P.L. 174-2022,  
 16 SECTION 73, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 17 UPON PASSAGE]: Sec. 53. (a) As used in this section:

18           "Allocation area" means that part of a redevelopment project area  
 19 to which an allocation provision of a resolution adopted under section  
 20 40 of this chapter refers for purposes of distribution and allocation of  
 21 property taxes.

22           "Base assessed value" means, subject to subsection (j):

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

27           (2) to the extent that it is not included in subdivision (1), the net  
 28 assessed value of property that is assessed as residential property  
 29 under the rules of the department of local government finance, as  
 30 finally determined for the current assessment date.

31           Except as provided in section 55 of this chapter, "property taxes"  
 32 means taxes imposed under IC 6-1.1 on real property.

33           (b) A resolution adopted under section 40 of this chapter on or  
 34 before the allocation deadline determined under subsection (i) may  
 35 include a provision with respect to the allocation and distribution of  
 36 property taxes for the purposes and in the manner provided in this  
 37 section. A resolution previously adopted may include an allocation  
 38 provision by the amendment of that resolution on or before the  
 39 allocation deadline determined under subsection (i) in accordance with  
 40 the procedures required for its original adoption. A declaratory  
 41 resolution or an amendment that establishes an allocation provision  
 42 must be approved by resolution of the legislative body of the excluded

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1 city and must specify an expiration date for the allocation provision.  
 2 For an allocation area established before July 1, 2008, the expiration  
 3 date may not be more than thirty (30) years after the date on which the  
 4 allocation provision is established. For an allocation area established  
 5 after June 30, 2008, the expiration date may not be more than  
 6 twenty-five (25) years after the date on which the first obligation was  
 7 incurred to pay principal and interest on bonds or lease rentals on  
 8 leases payable from tax increment revenues. However, with respect to  
 9 bonds or other obligations that were issued before July 1, 2008, if any  
 10 of the bonds or other obligations that were scheduled when issued to  
 11 mature before the specified expiration date and that are payable only  
 12 from allocated tax proceeds with respect to the allocation area remain  
 13 outstanding as of the expiration date, the allocation provision does not  
 14 expire until all of the bonds or other obligations are no longer  
 15 outstanding. The allocation provision may apply to all or part of the  
 16 redevelopment project area. The allocation provision must require that  
 17 any property taxes subsequently levied by or for the benefit of any  
 18 public body entitled to a distribution of property taxes on taxable  
 19 property in the allocation area be allocated and distributed as follows:

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

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

25 (B) the base assessed value;  
 26 shall be allocated to and, when collected, paid into the funds of  
 27 the respective taxing units.

28 (2) The excess of the proceeds of the property taxes imposed for  
 29 the assessment date with respect to which the allocation and  
 30 distribution is made that are attributable to taxes imposed after  
 31 being approved by the voters in a referendum or local public  
 32 question conducted after April 30, 2010, not otherwise included  
 33 in subdivision (1) shall be allocated to and, when collected, paid  
 34 into the funds of the taxing unit for which the referendum or local  
 35 public question was conducted.

36 (3) Except as otherwise provided in this section, property tax  
 37 proceeds in excess of those described in subdivisions (1) and (2)  
 38 shall be allocated to the redevelopment district and, when  
 39 collected, paid into a special fund for that allocation area that may  
 40 be used by the redevelopment district only to do one (1) or more  
 41 of the following:

42 (A) Pay the principal of and interest on any obligations

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- 1 payable solely from allocated tax proceeds that are incurred by
- 2 the redevelopment district for the purpose of financing or
- 3 refinancing the redevelopment of that allocation area.
- 4 (B) Establish, augment, or restore the debt service reserve for
- 5 bonds payable solely or in part from allocated tax proceeds in
- 6 that allocation area.
- 7 (C) Pay the principal of and interest on bonds payable from
- 8 allocated tax proceeds in that allocation area and from the
- 9 special tax levied under section 50 of this chapter.
- 10 (D) Pay the principal of and interest on bonds issued by the
- 11 excluded city to pay for local public improvements that are
- 12 physically located in or physically connected to that allocation
- 13 area.
- 14 (E) Pay premiums on the redemption before maturity of bonds
- 15 payable solely or in part from allocated tax proceeds in that
- 16 allocation area.
- 17 (F) Make payments on leases payable from allocated tax
- 18 proceeds in that allocation area under section 46 of this
- 19 chapter.
- 20 (G) Reimburse the excluded city for expenditures for local
- 21 public improvements (which include buildings, park facilities,
- 22 and other items set forth in section 45 of this chapter) that are
- 23 physically located in or physically connected to that allocation
- 24 area.
- 25 (H) Reimburse the unit for rentals paid by it for a building or
- 26 parking facility that is physically located in or physically
- 27 connected to that allocation area under any lease entered into
- 28 under IC 36-1-10.
- 29 (I) Reimburse public and private entities for expenses incurred
- 30 in training employees of industrial facilities that are located:
  - 31 (i) in the allocation area; and
  - 32 (ii) on a parcel of real property that has been classified as
  - 33 industrial property under the rules of the department of local
  - 34 government finance.
- 35 However, the total amount of money spent for this purpose in
- 36 any year may not exceed the total amount of money in the
- 37 allocation fund that is attributable to property taxes paid by the
- 38 industrial facilities described in this clause. The
- 39 reimbursements under this clause must be made within three
- 40 (3) years after the date on which the investments that are the
- 41 basis for the increment financing are made.
- 42 The special fund may not be used for operating expenses of the

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commission.

(4) Before June 15 of each year, the commission shall do the following:

(A) Determine the amount, if any, by which the assessed value of the taxable property in the allocation area for the most recent assessment date minus the base assessed value, when multiplied by the estimated tax rate of the allocation area, will exceed the amount of assessed value needed to provide the property taxes necessary to make, when due, principal and interest payments on bonds described in subdivision (3) plus the amount necessary for other purposes described in subdivision (3) and subsection (g).

(B) Provide a written notice to the county auditor, the fiscal body of the county or municipality that established the department of redevelopment, the officers who are authorized to fix budgets, tax rates, and tax levies under IC 6-1.1-17-5 for each of the other taxing units that is wholly or partly located within the allocation area, and (in an electronic format) the department of local government finance. The notice must:

(i) state the amount, if any, of excess assessed value that the commission has determined may be allocated to the respective taxing units in the manner prescribed in subdivision (1); or

(ii) state that the commission has determined that there is no excess assessed value that may be allocated to the respective taxing units in the manner prescribed in subdivision (1).

The county auditor shall allocate to the respective taxing units the amount, if any, of excess assessed value determined by the commission. The commission may not authorize an allocation to the respective taxing units under this subdivision if to do so would endanger the interests of the holders of bonds described in subdivision (3). **If a commission fails to provide the notice under this clause, the county auditor shall allocate five percent (5%) of the assessed value in the allocation area that is used to calculate the allocation and distribution of allocated tax proceeds under this section to the respective taxing units. However, if the commission notifies the county auditor and the department of local government finance, no later than July 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**

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1           **respective taxing units, then the county auditor may not**  
 2           **allocate five percent (5%) of the assessed value in the**  
 3           **allocation area that is used to calculate the allocation and**  
 4           **distribution of allocated tax proceeds under this section to**  
 5           **the respective taxing units.**

6           (c) For the purpose of allocating taxes levied by or for any taxing  
 7           unit or units, the assessed value of taxable property in a territory in the  
 8           allocation area that is annexed by any taxing unit after the effective  
 9           date of the allocation provision of the resolution is the lesser of:

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

13           (d) Property tax proceeds allocable to the redevelopment district  
 14           under subsection (b)(3) may, subject to subsection (b)(4), be  
 15           irrevocably pledged by the redevelopment district for payment as set  
 16           forth in subsection (b)(3).

17           (e) Notwithstanding any other law, each assessor shall, upon  
 18           petition of the commission, reassess the taxable property situated upon  
 19           or in, or added to, the allocation area, effective on the next assessment  
 20           date after the petition.

21           (f) Notwithstanding any other law, the assessed value of all taxable  
 22           property in the allocation area, for purposes of tax limitation, property  
 23           tax replacement, and formulation of the budget, tax rate, and tax levy  
 24           for each political subdivision in which the property is located, is the  
 25           lesser of:

- 26           (1) the assessed value of the property as valued without regard to  
 27           this section; or  
 28           (2) the base assessed value.

29           (g) If any part of the allocation area is located in an enterprise zone  
 30           created under IC 5-28-15, the unit that designated the allocation area  
 31           shall create funds as specified in this subsection. A unit that has  
 32           obligations, bonds, or leases payable from allocated tax proceeds under  
 33           subsection (b)(3) shall establish an allocation fund for the purposes  
 34           specified in subsection (b)(3) and a special zone fund. Such a unit  
 35           shall, until the end of the enterprise zone phase out period, deposit each  
 36           year in the special zone fund the amount in the allocation fund derived  
 37           from property tax proceeds in excess of those described in subsection  
 38           (b)(1) and (b)(2) from property located in the enterprise zone that  
 39           exceeds the amount sufficient for the purposes specified in subsection  
 40           (b)(3) for the year. A unit that has no obligations, bonds, or leases  
 41           payable from allocated tax proceeds under subsection (b)(3) shall  
 42           establish a special zone fund and deposit all the property tax proceeds

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1 in excess of those described in subsection (b)(1) and (b)(2) in the fund  
 2 derived from property tax proceeds in excess of those described in  
 3 subsection (b)(1) and (b)(2) from property located in the enterprise  
 4 zone. The unit that creates the special zone fund shall use the fund,  
 5 based on the recommendations of the urban enterprise association, for  
 6 one (1) or more of the following purposes:

7 (1) To pay for programs in job training, job enrichment, and basic  
 8 skill development designed to benefit residents and employers in  
 9 the enterprise zone. The programs must reserve at least one-half  
 10 (1/2) of the enrollment in any session for residents of the  
 11 enterprise zone.

12 (2) To make loans and grants for the purpose of stimulating  
 13 business activity in the enterprise zone or providing employment  
 14 for enterprise zone residents in an enterprise zone. These loans  
 15 and grants may be made to the following:

16 (A) Businesses operating in the enterprise zone.

17 (B) Businesses that will move their operations to the enterprise  
 18 zone if such a loan or grant is made.

19 (3) To provide funds to carry out other purposes specified in  
 20 subsection (b)(3). However, where reference is made in  
 21 subsection (b)(3) to the allocation area, the reference refers, for  
 22 purposes of payments from the special zone fund, only to that part  
 23 of the allocation area that is also located in the enterprise zone.

24 (h) The state board of accounts and department of local government  
 25 finance shall make the rules and prescribe the forms and procedures  
 26 that they consider expedient for the implementation of this chapter.  
 27 After each reassessment of real property in an area under a county's  
 28 reassessment plan prepared under IC 6-1.1-4-4.2, the ~~department of~~  
 29 ~~local government finance~~ **county auditor** shall, **on forms prescribed**  
 30 **by the department of local government finance**, adjust the base  
 31 assessed value one (1) time to neutralize any effect of the reassessment  
 32 of the real property in the area on the property tax proceeds allocated  
 33 to the redevelopment district under this section. After each annual  
 34 adjustment under IC 6-1.1-4-4.5, the ~~department of local government~~  
 35 ~~finance~~ **county auditor** shall, **on forms prescribed by the**  
 36 **department of local government finance**, adjust the base assessed  
 37 value to neutralize any effect of the annual adjustment on the property  
 38 tax proceeds allocated to the redevelopment district under this section.  
 39 However, the adjustments under this subsection may not include the  
 40 effect of property tax abatements under IC 6-1.1-12.1, and these  
 41 adjustments may not produce less property tax proceeds allocable to  
 42 the redevelopment district under subsection (b)(3) than would

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1 otherwise have been received if the reassessment under the county's  
 2 reassessment plan or annual adjustment had not occurred. ~~The~~  
 3 ~~department of local government finance may prescribe procedures for~~  
 4 ~~county and township officials to follow to assist the department in~~  
 5 ~~making the adjustments. The county auditor shall, in the manner~~  
 6 **prescribed by the department of local government finance, submit**  
 7 **the forms required by this subsection to the department of local**  
 8 **government finance no later than July 15 of each year.**

9 (i) The allocation deadline referred to in subsection (b) is  
 10 determined in the following manner:

11 (1) The initial allocation deadline is December 31, 2011.

12 (2) Subject to subdivision (3), the initial allocation deadline and  
 13 subsequent allocation deadlines are automatically extended in  
 14 increments of five (5) years, so that allocation deadlines  
 15 subsequent to the initial allocation deadline fall on December 31,  
 16 2016, and December 31 of each fifth year thereafter.

17 (3) At least one (1) year before the date of an allocation deadline  
 18 determined under subdivision (2), the general assembly may enact  
 19 a law that:

20 (A) terminates the automatic extension of allocation deadlines  
 21 under subdivision (2); and

22 (B) specifically designates a particular date as the final  
 23 allocation deadline.

24 (j) If the commission adopts a declaratory resolution or an  
 25 amendment to a declaratory resolution that contains an allocation  
 26 provision and the commission makes either of the filings required  
 27 under section 10(e) of this chapter after the first anniversary of the  
 28 effective date of the allocation provision, the auditor of the county in  
 29 which the unit is located shall compute the base assessed value for the  
 30 allocation area using the assessment date immediately preceding the  
 31 later of:

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

34 (2) the date on which the documents are filed with the department  
 35 of local government finance.

36 (k) For an allocation area established after June 30, 2024,  
 37 "residential property" refers to the assessed value of property that is  
 38 allocated to the one percent (1%) homestead land and improvement  
 39 categories in the county tax and billing software system, along with the  
 40 residential assessed value as defined for purposes of calculating the  
 41 rate for the local income tax property tax relief credit designated for  
 42 residential property under IC 6-3.6-5-6(d)(3).

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1 SECTION 157. IC 36-7-15.1-53, AS AMENDED BY P.L.68-2025,  
2 SECTION 236, IS AMENDED TO READ AS FOLLOWS  
3 [EFFECTIVE JULY 1, 2028]: Sec. 53. (a) As used in this section:

4 "Allocation area" means that part of a redevelopment project area  
5 to which an allocation provision of a resolution adopted under section  
6 40 of this chapter refers for purposes of distribution and allocation of  
7 property taxes.

8 "Base assessed value" means, subject to subsection (j):

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

13 (2) to the extent that it is not included in subdivision (1), the net  
14 assessed value of property that is assessed as residential property  
15 under the rules of the department of local government finance, as  
16 finally determined for the current assessment date.

17 Except as provided in section 55 of this chapter, "property taxes"  
18 means taxes imposed under IC 6-1.1 on real property.

19 (b) A resolution adopted under section 40 of this chapter on or  
20 before the allocation deadline determined under subsection (i) may  
21 include a provision with respect to the allocation and distribution of  
22 property taxes for the purposes and in the manner provided in this  
23 section. A resolution previously adopted may include an allocation  
24 provision by the amendment of that resolution on or before the  
25 allocation deadline determined under subsection (i) in accordance with  
26 the procedures required for its original adoption. A declaratory  
27 resolution or an amendment that establishes an allocation provision  
28 must be approved by resolution of the legislative body of the excluded  
29 city and must specify an expiration date for the allocation provision.  
30 For an allocation area established before July 1, 2008, the expiration  
31 date may not be more than thirty (30) years after the date on which the  
32 allocation provision is established. For an allocation area established  
33 after June 30, 2008, the expiration date may not be more than  
34 twenty-five (25) years after the date on which the first obligation was  
35 incurred to pay principal and interest on bonds or lease rentals on  
36 leases payable from tax increment revenues. However, with respect to  
37 bonds or other obligations that were issued before July 1, 2008, if any  
38 of the bonds or other obligations that were scheduled when issued to  
39 mature before the specified expiration date and that are payable only  
40 from allocated tax proceeds with respect to the allocation area remain  
41 outstanding as of the expiration date, the allocation provision does not  
42 expire until all of the bonds or other obligations are no longer

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1 outstanding. The allocation provision may apply to all or part of the  
 2 redevelopment project area. The allocation provision must require that  
 3 any property taxes subsequently levied by or for the benefit of any  
 4 public body entitled to a distribution of property taxes on taxable  
 5 property in the allocation area be allocated and distributed as follows:

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

8 (A) the assessed value of the property for the assessment date  
 9 with respect to which the allocation and distribution is made;  
 10 or

11 (B) the base assessed value;

12 shall be allocated to and, when collected, paid into the funds of  
 13 the respective taxing units.

14 (2) The excess of the proceeds of the property taxes imposed for  
 15 the assessment date with respect to which the allocation and  
 16 distribution is made that are attributable to taxes imposed after  
 17 being approved by the voters in a referendum or local public  
 18 question conducted after April 30, 2010, not otherwise included  
 19 in subdivision (1) shall be allocated to and, when collected, paid  
 20 into the funds of the taxing unit for which the referendum or local  
 21 public question was conducted.

22 (3) Except as otherwise provided in this section, property tax  
 23 proceeds in excess of those described in subdivisions (1) and (2)  
 24 shall be allocated to the redevelopment district and, when  
 25 collected, paid into a special fund for that allocation area that may  
 26 be used by the redevelopment district only to do one (1) or more  
 27 of the following:

28 (A) Pay the principal of and interest on any obligations  
 29 payable solely from allocated tax proceeds that are incurred by  
 30 the redevelopment district for the purpose of financing or  
 31 refinancing the redevelopment of that allocation area.

32 (B) Establish, augment, or restore the debt service reserve for  
 33 bonds payable solely or in part from allocated tax proceeds in  
 34 that allocation area.

35 (C) Pay the principal of and interest on bonds payable from  
 36 allocated tax proceeds in that allocation area and from the  
 37 special tax levied under section 50 of this chapter.

38 (D) Pay the principal of and interest on bonds issued by the  
 39 excluded city to pay for local public improvements that are  
 40 physically located in or physically connected to that allocation  
 41 area.

42 (E) Pay premiums on the redemption before maturity of bonds

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- 1 payable solely or in part from allocated tax proceeds in that
- 2 allocation area.
- 3 (F) Make payments on leases payable from allocated tax
- 4 proceeds in that allocation area under section 46 of this
- 5 chapter.
- 6 (G) Reimburse the excluded city for expenditures for local
- 7 public improvements (which include buildings, park facilities,
- 8 and other items set forth in section 45 of this chapter) that are
- 9 physically located in or physically connected to that allocation
- 10 area.
- 11 (H) Reimburse the unit for rentals paid by it for a building or
- 12 parking facility that is physically located in or physically
- 13 connected to that allocation area under any lease entered into
- 14 under IC 36-1-10.
- 15 (I) Reimburse public and private entities for expenses incurred
- 16 in training employees of industrial facilities that are located:
- 17 (i) in the allocation area; and
- 18 (ii) on a parcel of real property that has been classified as
- 19 industrial property under the rules of the department of local
- 20 government finance.
- 21 However, the total amount of money spent for this purpose in
- 22 any year may not exceed the total amount of money in the
- 23 allocation fund that is attributable to property taxes paid by the
- 24 industrial facilities described in this clause. The
- 25 reimbursements under this clause must be made within three
- 26 (3) years after the date on which the investments that are the
- 27 basis for the increment financing are made.
- 28 The special fund may not be used for operating expenses of the
- 29 commission.
- 30 (4) Before June 15 of each year, the commission shall do the
- 31 following:
- 32 (A) Determine the amount, if any, by which the assessed value
- 33 of the taxable property in the allocation area for the most
- 34 recent assessment date minus the base assessed value, when
- 35 multiplied by the estimated tax rate of the allocation area, will
- 36 exceed the amount of assessed value needed to provide the
- 37 property taxes necessary to make, when due, principal and
- 38 interest payments on bonds described in subdivision (3) plus
- 39 the amount necessary for other purposes described in
- 40 subdivision (3) and subsection (g).
- 41 (B) Provide a written notice to the county auditor, the fiscal
- 42 body of the county or municipality that established the

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1 department of redevelopment, the officers who are authorized  
 2 to fix budgets, tax rates, and tax levies under IC 6-1.1-17-5 for  
 3 each of the other taxing units that is wholly or partly located  
 4 within the allocation area, and (in an electronic format) the  
 5 department of local government finance. The notice must:

6 (i) state the amount, if any, of excess assessed value that the  
 7 commission has determined may be allocated to the  
 8 respective taxing units in the manner prescribed in  
 9 subdivision (1); or

10 (ii) state that the commission has determined that there is no  
 11 excess assessed value that may be allocated to the respective  
 12 taxing units in the manner prescribed in subdivision (1).

13 The county auditor shall allocate to the respective taxing units  
 14 the amount, if any, of excess assessed value determined by the  
 15 commission. The commission may not authorize an allocation  
 16 to the respective taxing units under this subdivision if to do so  
 17 would endanger the interests of the holders of bonds described  
 18 in subdivision (3). **If a commission fails to provide the  
 19 notice under this clause, the county auditor shall allocate  
 20 five percent (5%) of the assessed value in the allocation  
 21 area that is used to calculate the allocation and distribution  
 22 of allocated tax proceeds under this section to the  
 23 respective taxing units. However, if the commission notifies  
 24 the county auditor and the department of local government  
 25 finance, no later than July 1, that it is unable to meet its  
 26 debt service obligations with regard to the allocation area  
 27 without all or part of the allocated tax proceeds attributed  
 28 to the assessed value that has been allocated to the  
 29 respective taxing units, then the county auditor may not  
 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.**

34 (c) For the purpose of allocating taxes levied by or for any taxing  
 35 unit or units, the assessed value of taxable property in a territory in the  
 36 allocation area that is annexed by any taxing unit after the effective  
 37 date of the allocation provision of the resolution is the lesser of:

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

41 (d) Property tax proceeds allocable to the redevelopment district  
 42 under subsection (b)(3) may, subject to subsection (b)(4), be

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1 irrevocably pledged by the redevelopment district for payment as set  
2 forth in subsection (b)(3).

3 (e) Notwithstanding any other law, each assessor shall, upon  
4 petition of the commission, reassess the taxable property situated upon  
5 or in, or added to, the allocation area, effective on the next assessment  
6 date after the petition.

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

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

14 (2) the base assessed value.

15 (g) If any part of the allocation area is located in an enterprise zone  
16 created under IC 5-28-15, the unit that designated the allocation area  
17 shall create funds as specified in this subsection. A unit that has  
18 obligations, bonds, or leases payable from allocated tax proceeds under  
19 subsection (b)(3) shall establish an allocation fund for the purposes  
20 specified in subsection (b)(3) and a special zone fund. Such a unit  
21 shall, until the end of the enterprise zone phase out period, deposit each  
22 year in the special zone fund the amount in the allocation fund derived  
23 from property tax proceeds in excess of those described in subsection  
24 (b)(1) and (b)(2) from property located in the enterprise zone that  
25 exceeds the amount sufficient for the purposes specified in subsection  
26 (b)(3) for the year. A unit that has no obligations, bonds, or leases  
27 payable from allocated tax proceeds under subsection (b)(3) shall  
28 establish a special zone fund and deposit all the property tax proceeds  
29 in excess of those described in subsection (b)(1) and (b)(2) in the fund  
30 derived from property tax proceeds in excess of those described in  
31 subsection (b)(1) and (b)(2) from property located in the enterprise  
32 zone. The unit that creates the special zone fund shall use the fund,  
33 based on the recommendations of the urban enterprise association, for  
34 one (1) or more of the following purposes:

35 (1) To pay for programs in job training, job enrichment, and basic  
36 skill development designed to benefit residents and employers in  
37 the enterprise zone. The programs must reserve at least one-half  
38 (1/2) of the enrollment in any session for residents of the  
39 enterprise zone.

40 (2) To make loans and grants for the purpose of stimulating  
41 business activity in the enterprise zone or providing employment  
42 for enterprise zone residents in an enterprise zone. These loans

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1 and grants may be made to the following:

2 (A) Businesses operating in the enterprise zone.

3 (B) Businesses that will move their operations to the enterprise  
4 zone if such a loan or grant is made.

5 (3) To provide funds to carry out other purposes specified in  
6 subsection (b)(3). However, where reference is made in  
7 subsection (b)(3) to the allocation area, the reference refers, for  
8 purposes of payments from the special zone fund, only to that part  
9 of the allocation area that is also located in the enterprise zone.

10 (h) The state board of accounts and department of local government  
11 finance shall make the rules and prescribe the forms and procedures  
12 that they consider expedient for the implementation of this chapter.  
13 After each reassessment of real property in an area under a county's  
14 reassessment plan prepared under IC 6-1.1-4-4.2, the ~~department of~~  
15 ~~local government finance~~ **county auditor** shall, **on forms prescribed**  
16 **by the department of local government finance**, adjust the base  
17 assessed value one (1) time to neutralize any effect of the reassessment  
18 of the real property in the area on the property tax proceeds allocated  
19 to the redevelopment district under this section. After each annual  
20 adjustment under IC 6-1.1-4-4.5, the ~~department of local government~~  
21 ~~finance~~ **county auditor** shall, **on forms prescribed by the**  
22 **department of local government finance**, adjust the base assessed  
23 value to neutralize any effect of the annual adjustment on the property  
24 tax proceeds allocated to the redevelopment district under this section.  
25 However, the adjustments under this subsection may not include the  
26 effect of property tax abatements under IC 6-1.1-12.1, and these  
27 adjustments may not produce less property tax proceeds allocable to  
28 the redevelopment district under subsection (b)(3) than would  
29 otherwise have been received if the reassessment under the county's  
30 reassessment plan or annual adjustment had not occurred. ~~The~~  
31 ~~department of local government finance~~ ~~may prescribe procedures for~~  
32 ~~county and township officials to follow to assist the department in~~  
33 ~~making the adjustments.~~ **The county auditor shall, in the manner**  
34 **prescribed by the department of local government finance, submit**  
35 **the forms required by this subsection to the department of local**  
36 **government finance no later than July 15 of each year.**

37 (i) The allocation deadline referred to in subsection (b) is  
38 determined in the following manner:

39 (1) The initial allocation deadline is December 31, 2011.

40 (2) Subject to subdivision (3), the initial allocation deadline and  
41 subsequent allocation deadlines are automatically extended in  
42 increments of five (5) years, so that allocation deadlines

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1 subsequent to the initial allocation deadline fall on December 31,  
2 2016, and December 31 of each fifth year thereafter.

3 (3) At least one (1) year before the date of an allocation deadline  
4 determined under subdivision (2), the general assembly may enact  
5 a law that:

6 (A) terminates the automatic extension of allocation deadlines  
7 under subdivision (2); and

8 (B) specifically designates a particular date as the final  
9 allocation deadline.

10 (j) If the commission adopts a declaratory resolution or an  
11 amendment to a declaratory resolution that contains an allocation  
12 provision and the commission makes either of the filings required  
13 under section 10(e) of this chapter after the first anniversary of the  
14 effective date of the allocation provision, the auditor of the county in  
15 which the unit is located shall compute the base assessed value for the  
16 allocation area using the assessment date immediately preceding the  
17 later of:

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

20 (2) the date on which the documents are filed with the department  
21 of local government finance.

22 (k) For an allocation area established after June 30, 2024,  
23 "residential property" refers to the assessed value of property that is  
24 allocated to the one percent (1%) homestead land and improvement  
25 categories in the county tax and billing software system, along with the  
26 residential assessed value as defined for purposes of calculating the  
27 rate for the local income tax property tax relief credit designated for  
28 residential property under IC 6-3.6-5-6(d)(3) (before its expiration).

29 SECTION 158. IC 36-7-15.1-62, AS AMENDED BY P.L.257-2019,  
30 SECTION 131, IS AMENDED TO READ AS FOLLOWS  
31 [EFFECTIVE UPON PASSAGE]: Sec. 62. (a) Notwithstanding section  
32 26(a) of this chapter, with respect to the allocation and distribution of  
33 property taxes for the accomplishment of the purposes of an  
34 age-restricted housing program adopted under section 59 of this  
35 chapter, "base assessed value" means, subject to section 26(j) of this  
36 chapter, the net assessed value of all of the property, other than  
37 personal property, as finally determined for the assessment date  
38 immediately preceding the effective date of the allocation provision, as  
39 adjusted under section 26(h) of this chapter.

40 (b) The allocation fund established under section 26(b) of this  
41 chapter for the allocation area for an age-restricted housing program  
42 adopted under section 59 of this chapter may be used only for purposes

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1 related to the accomplishment of the purposes of the program,  
2 including, but not limited to, the following:

3 (1) The construction of any infrastructure (including streets,  
4 sidewalks, and sewers) or local public improvements in, serving,  
5 or benefiting the allocation area.

6 (2) The acquisition of real property and interests in real property  
7 within the allocation area.

8 (3) The preparation of real property in anticipation of  
9 development of the real property within the allocation area.

10 (4) To do any of the following:

11 (A) Pay the principal of and interest on bonds or any other  
12 obligations payable from allocated tax proceeds in the  
13 allocation area that are incurred by the redevelopment district  
14 for the purpose of financing or refinancing the age-restricted  
15 housing program established under section 59 of this chapter  
16 for the allocation area.

17 (B) Establish, augment, or restore the debt service reserve for  
18 bonds payable solely or in part from allocated tax proceeds in  
19 the allocation area.

20 (C) Pay the principal of and interest on bonds payable from  
21 allocated tax proceeds in the allocation area and from the  
22 special tax levied under section 19 of this chapter.

23 (D) Pay the principal of and interest on bonds issued by the  
24 unit to pay for local public improvements that are physically  
25 located in or physically connected to the allocation area.

26 (E) Pay premiums on the redemption before maturity of bonds  
27 payable solely or in part from allocated tax proceeds in the  
28 allocation area.

29 (F) Make payments on leases payable from allocated tax  
30 proceeds in the allocation area under section 17.1 of this  
31 chapter.

32 (G) Reimburse the unit for expenditures made by the unit for  
33 local public improvements (which include buildings, parking  
34 facilities, and other items described in section 17(a) of this  
35 chapter) that are physically located in or physically connected  
36 to the allocation area.

37 (c) Notwithstanding section 26(b) of this chapter, the commission  
38 shall, relative to the allocation fund established under section 26(b) of  
39 this chapter for an allocation area for an age-restricted housing program  
40 adopted under section 59 of this chapter, do the following before June  
41 15 of each year:

42 (1) Determine the amount, if any, by which the assessed value of

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1 the taxable property in the allocation area for the most recent  
 2 assessment date minus the base assessed value, when multiplied  
 3 by the estimated tax rate of the allocation area, will exceed the  
 4 amount of assessed value needed to produce the property taxes  
 5 necessary to:

6 (A) make the distribution required under section 26(b)(2) of  
 7 this chapter;

8 (B) make, when due, principal and interest payments on bonds  
 9 described in section 26(b)(3) of this chapter;

10 (C) pay the amount necessary for other purposes described in  
 11 section 26(b)(3) of this chapter; and

12 (D) reimburse the county or municipality for anticipated  
 13 expenditures described in subsection (b)(2).

14 (2) Provide a written notice to the county auditor, the fiscal body  
 15 of the county or municipality that established the department of  
 16 redevelopment, the officers who are authorized to fix budgets, tax  
 17 rates, and tax levies under IC 6-1.1-17-5 for each of the other  
 18 taxing units that is wholly or partly located within the allocation  
 19 area, and (in an electronic format) the department of local  
 20 government finance. The notice must:

21 (A) state the amount, if any, of excess property taxes that the  
 22 commission has determined may be paid to the respective  
 23 taxing units in the manner prescribed in section 26(b)(1) of  
 24 this chapter; or

25 (B) state that the commission has determined that there is no  
 26 excess assessed value that may be allocated to the respective  
 27 taxing units in the manner prescribed in subdivision (1).

28 The county auditor shall allocate to the respective taxing units the  
 29 amount, if any, of excess assessed value determined by the  
 30 commission. **If a commission fails to provide the notice under  
 31 subdivision (2), the county auditor shall allocate five percent (5%)  
 32 of the assessed value in the allocation area that is used to calculate  
 33 the allocation and distribution of allocated tax proceeds under this  
 34 section to the respective taxing units. However, if the commission  
 35 notifies the county auditor and the department of local government  
 36 finance, no later than July 1, that it is unable to meet its debt  
 37 service obligations with regard to the allocation area without all or  
 38 part of the allocated tax proceeds attributed to the assessed value  
 39 that has been allocated to the respective taxing units, then the  
 40 county auditor may not allocate five percent (5%) of the assessed  
 41 value in the allocation area that is used to calculate the allocation  
 42 and distribution of allocated tax proceeds under this section to the**

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1 **respective taxing units.**

2 SECTION 159. IC 36-7-30-25, AS AMENDED BY P.L.174-2022,  
3 SECTION 74, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
4 UPON PASSAGE]: Sec. 25. (a) The following definitions apply  
5 throughout this section:

6 (1) "Allocation area" means that part of a military base reuse area  
7 to which an allocation provision of a declaratory resolution  
8 adopted under section 10 of this chapter refers for purposes of  
9 distribution and allocation of property taxes.

10 (2) "Base assessed value" means, subject to subsection (i):

11 (A) the net assessed value of all the property as finally  
12 determined for the assessment date immediately preceding the  
13 adoption 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) or (C), the  
16 net assessed value of any and all parcels or classes of parcels  
17 identified as part of the base assessed value in the declaratory  
18 resolution or an amendment thereto, as finally determined for  
19 any subsequent assessment date; plus

20 (C) to the extent that it is not included in clause (A) or (B), the  
21 net assessed value of property that is assessed as residential  
22 property under the rules of the department of local government  
23 finance, within the allocation area, as finally determined for  
24 the current assessment date.

25 Clause (C) applies only to allocation areas established in a  
26 military reuse area after June 30, 1997, and to the part of an  
27 allocation area that was established before June 30, 1997, and that  
28 is added to an existing allocation area after June 30, 1997.

29 (3) "Property taxes" means taxes imposed under IC 6-1.1 on real  
30 property.

31 (b) A declaratory resolution adopted under section 10 of this chapter  
32 before the date set forth in IC 36-7-14-39(b) pertaining to declaratory  
33 resolutions adopted under IC 36-7-14-15 may include a provision with  
34 respect to the allocation and distribution of property taxes for the  
35 purposes and in the manner provided in this section. A declaratory  
36 resolution previously adopted may include an allocation provision by  
37 the amendment of that declaratory resolution in accordance with the  
38 procedures set forth in section 13 of this chapter. The allocation  
39 provision may apply to all or part of the military base reuse area. The  
40 allocation provision must require that any property taxes subsequently  
41 levied by or for the benefit of any public body entitled to a distribution  
42 of property taxes on taxable property in the allocation area be allocated

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- 1 and distributed as follows:
- 2 (1) Except as otherwise provided in this section, the proceeds of
- 3 the taxes attributable to the lesser of:
- 4 (A) the assessed value of the property for the assessment date
- 5 with respect to which the allocation and distribution is made;
- 6 or
- 7 (B) the base assessed value;
- 8 shall be allocated to and, when collected, paid into the funds of
- 9 the respective taxing units.
- 10 (2) The excess of the proceeds of the property taxes imposed for
- 11 the assessment date with respect to which the allocation and
- 12 distribution are made that are attributable to taxes imposed after
- 13 being approved by the voters in a referendum or local public
- 14 question conducted after April 30, 2010, not otherwise included
- 15 in subdivision (1) shall be allocated to and, when collected, paid
- 16 into the funds of the taxing unit for which the referendum or local
- 17 public question was conducted.
- 18 (3) Except as otherwise provided in this section, property tax
- 19 proceeds in excess of those described in subdivisions (1) and (2)
- 20 shall be allocated to the military base reuse district and, when
- 21 collected, paid into an allocation fund for that allocation area that
- 22 may be used by the military base reuse district and only to do one
- 23 (1) or more of the following:
- 24 (A) Pay the principal of and interest and redemption premium
- 25 on any obligations incurred by the military base reuse district
- 26 or any other entity for the purpose of financing or refinancing
- 27 military base reuse activities in or directly serving or
- 28 benefiting that allocation area.
- 29 (B) Establish, augment, or restore the debt service reserve for
- 30 bonds payable solely or in part from allocated tax proceeds in
- 31 that allocation area or from other revenues of the reuse
- 32 authority, including lease rental revenues.
- 33 (C) Make payments on leases payable solely or in part from
- 34 allocated tax proceeds in that allocation area.
- 35 (D) Reimburse any other governmental body for expenditures
- 36 made for local public improvements (or structures) in or
- 37 directly serving or benefiting that allocation area.
- 38 (E) Pay expenses incurred by the reuse authority, any other
- 39 department of the unit, or a department of another
- 40 governmental entity for local public improvements or
- 41 structures that are in the allocation area or directly serving or
- 42 benefiting the allocation area, including expenses for the

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1 operation and maintenance of these local public improvements  
 2 or structures if the reuse authority determines those operation  
 3 and maintenance expenses are necessary or desirable to carry  
 4 out the purposes of this chapter.

5 (F) Reimburse public and private entities for expenses  
 6 incurred in training employees of industrial facilities that are  
 7 located:

8 (i) in the allocation area; and

9 (ii) on a parcel of real property that has been classified as  
 10 industrial property under the rules of the department of local  
 11 government finance.

12 However, the total amount of money spent for this purpose in  
 13 any year may not exceed the total amount of money in the  
 14 allocation fund that is attributable to property taxes paid by the  
 15 industrial facilities described in this clause. The  
 16 reimbursements under this clause must be made not more than  
 17 three (3) years after the date on which the investments that are  
 18 the basis for the increment financing are made.

19 (G) Expend money and provide financial assistance as  
 20 authorized in section 9(a)(25) of this chapter.

21 Except as provided in clause (E), the allocation fund may not be  
 22 used for operating expenses of the reuse authority.

23 (4) Except as provided in subsection (g), before July 15 of each  
 24 year the reuse authority shall do the following:

25 (A) Determine the amount, if any, by which property taxes  
 26 payable to the allocation fund in the following year will exceed  
 27 the amount of property taxes necessary to make, when due,  
 28 principal and interest payments on bonds described in  
 29 subdivision (3) plus the amount necessary for other purposes  
 30 described in subdivision (3).

31 (B) Provide a written notice to the county auditor, the fiscal  
 32 body of the unit that established the reuse authority, and the  
 33 officers who are authorized to fix budgets, tax rates, and tax  
 34 levies under IC 6-1.1-17-5 for each of the other taxing units  
 35 that is wholly or partly located within the allocation area. The  
 36 notice must:

37 (i) state the amount, if any, of excess property taxes that the  
 38 reuse authority has determined may be paid to the respective  
 39 taxing units in the manner prescribed in subdivision (1); or

40 (ii) state that the reuse authority has determined that there  
 41 are no excess property tax proceeds that may be allocated to  
 42 the respective taxing units in the manner prescribed in

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- 1 subdivision (1).  
 2 The county auditor shall allocate to the respective taxing units  
 3 the amount, if any, of excess property tax proceeds determined  
 4 by the reuse authority. The reuse authority may not authorize  
 5 a payment to the respective taxing units under this subdivision  
 6 if to do so would endanger the interest of the holders of bonds  
 7 described in subdivision (3) or lessors under section 19 of this  
 8 chapter.
- 9 (c) For the purpose of allocating taxes levied by or for any taxing  
 10 unit or units, the assessed value of taxable property in a territory in the  
 11 allocation area that is annexed by a taxing unit after the effective date  
 12 of the allocation provision of the declaratory resolution is the lesser of:  
 13 (1) the assessed value of the property for the assessment date with  
 14 respect to which the allocation and distribution is made; or  
 15 (2) the base assessed value.
- 16 (d) Property tax proceeds allocable to the military base reuse district  
 17 under subsection (b)(3) may, subject to subsection (b)(4), be  
 18 irrevocably pledged by the military base reuse district for payment as  
 19 set forth in subsection (b)(3).
- 20 (e) Notwithstanding any other law, each assessor shall, upon  
 21 petition of the reuse authority, reassess the taxable property situated  
 22 upon or in or added to the allocation area, effective on the next  
 23 assessment date after the petition.
- 24 (f) Notwithstanding any other law, the assessed value of all taxable  
 25 property in the allocation area, for purposes of tax limitation, property  
 26 tax replacement, and the making of the budget, tax rate, and tax levy  
 27 for each political subdivision in which the property is located is the  
 28 lesser of:  
 29 (1) the assessed value of the property as valued without regard to  
 30 this section; or  
 31 (2) the base assessed value.
- 32 (g) If any part of the allocation area is located in an enterprise zone  
 33 created under IC 5-28-15, the unit that designated the allocation area  
 34 shall create funds as specified in this subsection. A unit that has  
 35 obligations, bonds, or leases payable from allocated tax proceeds under  
 36 subsection (b)(3) shall establish an allocation fund for the purposes  
 37 specified in subsection (b)(3) and a special zone fund. Such a unit  
 38 shall, until the end of the enterprise zone phase out period, deposit each  
 39 year in the special zone fund any amount in the allocation fund derived  
 40 from property tax proceeds in excess of those described in subsection  
 41 (b)(1) and (b)(2) from property located in the enterprise zone that  
 42 exceeds the amount sufficient for the purposes specified in subsection

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1 (b)(3) for the year. The amount sufficient for purposes specified in  
 2 subsection (b)(3) for the year shall be determined based on the pro rata  
 3 part of such current property tax proceeds from the part of the  
 4 enterprise zone that is within the allocation area as compared to all  
 5 such current property tax proceeds derived from the allocation area. A  
 6 unit that does not have obligations, bonds, or leases payable from  
 7 allocated tax proceeds under subsection (b)(3) shall establish a special  
 8 zone fund and deposit all the property tax proceeds in excess of those  
 9 described in subsection (b)(1) and (b)(2) that are derived from property  
 10 in the enterprise zone in the fund. The unit that creates the special zone  
 11 fund shall use the fund (based on the recommendations of the urban  
 12 enterprise association) for programs in job training, job enrichment,  
 13 and basic skill development that are designed to benefit residents and  
 14 employers in the enterprise zone or other purposes specified in  
 15 subsection (b)(3), except that where reference is made in subsection  
 16 (b)(3) to allocation area it shall refer for purposes of payments from the  
 17 special zone fund only to that part of the allocation area that is also  
 18 located in the enterprise zone. The programs shall reserve at least  
 19 one-half (1/2) of their enrollment in any session for residents of the  
 20 enterprise zone.

21 (h) After each reassessment of real property in an area under the  
 22 county's reassessment plan under IC 6-1.1-4-4.2, the ~~department of~~  
 23 ~~local government finance~~ **county auditor** shall, **on forms prescribed**  
 24 **by the department of local government finance**, adjust the base  
 25 assessed value one (1) time to neutralize any effect of the reassessment  
 26 of the real property in the area on the property tax proceeds allocated  
 27 to the military base reuse district under this section. After each annual  
 28 adjustment under IC 6-1.1-4-4.5, the ~~department of local government~~  
 29 ~~finance~~ **county auditor** shall, **on forms prescribed by the**  
 30 **department of local government finance**, adjust the base assessed  
 31 value to neutralize any effect of the annual adjustment on the property  
 32 tax proceeds allocated to the military base reuse district under this  
 33 section. However, the adjustments under this subsection may not  
 34 include the effect of property tax abatements under IC 6-1.1-12.1, and  
 35 these adjustments may not produce less property tax proceeds allocable  
 36 to the military base reuse district under subsection (b)(3) than would  
 37 otherwise have been received if the reassessment under the county's  
 38 reassessment plan or annual adjustment had not occurred. ~~The~~  
 39 ~~department of local government finance may prescribe procedures for~~  
 40 ~~county and township officials to follow to assist the department in~~  
 41 ~~making the adjustments. The county auditor shall, in the manner~~  
 42 **prescribed by the department of local government finance, submit**

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1 **the forms required by this subsection to the department of local**  
 2 **government finance no later than July 15 of each year.**

3 (i) If the reuse authority adopts a declaratory resolution or an  
 4 amendment to a declaratory resolution that contains an allocation  
 5 provision and the reuse authority makes either of the filings required  
 6 under section 12(c) or 13(f) of this chapter after the first anniversary of  
 7 the effective date of the allocation provision, the auditor of the county  
 8 in which the military base reuse district is located shall compute the  
 9 base assessed value for the allocation area using the assessment date  
 10 immediately preceding the later of:

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

13 (2) the date on which the documents are filed with the department  
 14 of local government finance.

15 (j) For an allocation area established after June 30, 2024,  
 16 "residential property" refers to the assessed value of property that is  
 17 allocated to the one percent (1%) homestead land and improvement  
 18 categories in the county tax and billing software system, along with the  
 19 residential assessed value as defined for purposes of calculating the  
 20 rate for the local income tax property tax relief credit designated for  
 21 residential property under IC 6-3.6-5-6(d)(3).

22 SECTION 160. IC 36-7-30-25, AS AMENDED BY P.L.68-2025,  
 23 SECTION 237, IS AMENDED TO READ AS FOLLOWS  
 24 [EFFECTIVE JULY 1, 2028]: Sec. 25. (a) The following definitions  
 25 apply throughout this section:

26 (1) "Allocation area" means that part of a military base reuse area  
 27 to which an allocation provision of a declaratory resolution  
 28 adopted under section 10 of this chapter refers for purposes of  
 29 distribution and allocation of property taxes.

30 (2) "Base assessed value" means, subject to subsection (i):

31 (A) the net assessed value of all the property as finally  
 32 determined for the assessment date immediately preceding the  
 33 adoption date of the allocation provision of the declaratory  
 34 resolution, as adjusted under subsection (h); plus

35 (B) to the extent that it is not included in clause (A) or (C), the  
 36 net assessed value of any and all parcels or classes of parcels  
 37 identified as part of the base assessed value in the declaratory  
 38 resolution or an amendment thereto, as finally determined for  
 39 any subsequent assessment date; plus

40 (C) to the extent that it is not included in clause (A) or (B), the  
 41 net assessed value of property that is assessed as residential  
 42 property under the rules of the department of local government

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1 finance, within the allocation area, as finally determined for  
2 the current assessment date.

3 Clause (C) applies only to allocation areas established in a  
4 military reuse area after June 30, 1997, and to the part of an  
5 allocation area that was established before June 30, 1997, and that  
6 is added to an existing allocation area after June 30, 1997.

7 (3) "Property taxes" means taxes imposed under IC 6-1.1 on real  
8 property.

9 (b) A declaratory resolution adopted under section 10 of this chapter  
10 before the date set forth in IC 36-7-14-39(b) pertaining to declaratory  
11 resolutions adopted under IC 36-7-14-15 may include a provision with  
12 respect to the allocation and distribution of property taxes for the  
13 purposes and in the manner provided in this section. A declaratory  
14 resolution previously adopted may include an allocation provision by  
15 the amendment of that declaratory resolution in accordance with the  
16 procedures set forth in section 13 of this chapter. The allocation  
17 provision may apply to all or part of the military base reuse area. The  
18 allocation provision must require that any property taxes subsequently  
19 levied by or for the benefit of any public body entitled to a distribution  
20 of property taxes on taxable property in the allocation area be allocated  
21 and distributed as follows:

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

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

26 or

27 (B) the base assessed value;

28 shall be allocated to and, when collected, paid into the funds of  
29 the respective taxing units.

30 (2) The excess of the proceeds of the property taxes imposed for  
31 the assessment date with respect to which the allocation and  
32 distribution are made that are attributable to taxes imposed after  
33 being approved by the voters in a referendum or local public  
34 question conducted after April 30, 2010, not otherwise included  
35 in subdivision (1) shall be allocated to and, when collected, paid  
36 into the funds of the taxing unit for which the referendum or local  
37 public question was conducted.

38 (3) Except as otherwise provided in this section, property tax  
39 proceeds in excess of those described in subdivisions (1) and (2)  
40 shall be allocated to the military base reuse district and, when  
41 collected, paid into an allocation fund for that allocation area that  
42 may be used by the military base reuse district and only to do one

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- 1 (1) or more of the following:
- 2 (A) Pay the principal of and interest and redemption premium
- 3 on any obligations incurred by the military base reuse district
- 4 or any other entity for the purpose of financing or refinancing
- 5 military base reuse activities in or directly serving or
- 6 benefiting that allocation area.
- 7 (B) Establish, augment, or restore the debt service reserve for
- 8 bonds payable solely or in part from allocated tax proceeds in
- 9 that allocation area or from other revenues of the reuse
- 10 authority, including lease rental revenues.
- 11 (C) Make payments on leases payable solely or in part from
- 12 allocated tax proceeds in that allocation area.
- 13 (D) Reimburse any other governmental body for expenditures
- 14 made for local public improvements (or structures) in or
- 15 directly serving or benefiting that allocation area.
- 16 (E) Pay expenses incurred by the reuse authority, any other
- 17 department of the unit, or a department of another
- 18 governmental entity for local public improvements or
- 19 structures that are in the allocation area or directly serving or
- 20 benefiting the allocation area, including expenses for the
- 21 operation and maintenance of these local public improvements
- 22 or structures if the reuse authority determines those operation
- 23 and maintenance expenses are necessary or desirable to carry
- 24 out the purposes of this chapter.
- 25 (F) Reimburse public and private entities for expenses
- 26 incurred in training employees of industrial facilities that are
- 27 located:
- 28 (i) in the allocation area; and
- 29 (ii) on a parcel of real property that has been classified as
- 30 industrial property under the rules of the department of local
- 31 government finance.
- 32 However, the total amount of money spent for this purpose in
- 33 any year may not exceed the total amount of money in the
- 34 allocation fund that is attributable to property taxes paid by the
- 35 industrial facilities described in this clause. The
- 36 reimbursements under this clause must be made not more than
- 37 three (3) years after the date on which the investments that are
- 38 the basis for the increment financing are made.
- 39 (G) Expend money and provide financial assistance as
- 40 authorized in section 9(a)(25) of this chapter.
- 41 Except as provided in clause (E), the allocation fund may not be
- 42 used for operating expenses of the reuse authority.

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1 (4) Except as provided in subsection (g), before July 15 of each  
2 year the reuse authority shall do the following:

3 (A) Determine the amount, if any, by which property taxes  
4 payable to the allocation fund in the following year will exceed  
5 the amount of property taxes necessary to make, when due,  
6 principal and interest payments on bonds described in  
7 subdivision (3) plus the amount necessary for other purposes  
8 described in subdivision (3).

9 (B) Provide a written notice to the county auditor, the fiscal  
10 body of the unit that established the reuse authority, and the  
11 officers who are authorized to fix budgets, tax rates, and tax  
12 levies under IC 6-1.1-17-5 for each of the other taxing units  
13 that is wholly or partly located within the allocation area. The  
14 notice must:

- 15 (i) state the amount, if any, of excess property taxes that the  
16 reuse authority has determined may be paid to the respective  
17 taxing units in the manner prescribed in subdivision (1); or  
18 (ii) state that the reuse authority has determined that there  
19 are no excess property tax proceeds that may be allocated to  
20 the respective taxing units in the manner prescribed in  
21 subdivision (1).

22 The county auditor shall allocate to the respective taxing units  
23 the amount, if any, of excess property tax proceeds determined  
24 by the reuse authority. The reuse authority may not authorize  
25 a payment to the respective taxing units under this subdivision  
26 if to do so would endanger the interest of the holders of bonds  
27 described in subdivision (3) or lessors under section 19 of this  
28 chapter.

29 (c) For the purpose of allocating taxes levied by or for any taxing  
30 unit or units, the assessed value of taxable property in a territory in the  
31 allocation area that is annexed by a taxing unit after the effective date  
32 of the allocation provision of the declaratory resolution is the lesser of:

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

36 (d) Property tax proceeds allocable to the military base reuse district  
37 under subsection (b)(3) may, subject to subsection (b)(4), be  
38 irrevocably pledged by the military base reuse district for payment as  
39 set forth in subsection (b)(3).

40 (e) Notwithstanding any other law, each assessor shall, upon  
41 petition of the reuse authority, reassess the taxable property situated  
42 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 unit that designated the allocation area  
12 shall create funds as specified in this subsection. A unit 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. Such a unit  
16 shall, until the end of the enterprise zone phase out period, deposit each  
17 year in the special zone fund any amount in the allocation fund derived  
18 from property tax proceeds in excess of those described in subsection  
19 (b)(1) and (b)(2) from property located in the enterprise zone that  
20 exceeds the amount sufficient for the purposes specified in subsection  
21 (b)(3) for the year. The amount sufficient for purposes specified in  
22 subsection (b)(3) for the year shall be determined based on the pro rata  
23 part of such current property tax proceeds from the part of the  
24 enterprise zone that is within the allocation area as compared to all  
25 such current property tax proceeds derived from the allocation area. A  
26 unit that does not have obligations, bonds, or leases payable from  
27 allocated tax proceeds under subsection (b)(3) shall establish a special  
28 zone fund and deposit all the property tax proceeds in excess of those  
29 described in subsection (b)(1) and (b)(2) that are derived from property  
30 in the enterprise zone in the fund. The unit that creates the special zone  
31 fund shall use the fund (based on the recommendations of the urban  
32 enterprise association) for programs in job training, job enrichment,  
33 and basic skill development that are designed to benefit residents and  
34 employers in the enterprise zone or other purposes specified in  
35 subsection (b)(3), except that where reference is made in subsection  
36 (b)(3) to allocation area it shall refer for purposes of payments from the  
37 special zone fund only to that part of the allocation area that is also  
38 located in the enterprise zone. The programs shall reserve at least  
39 one-half (1/2) of their enrollment in any session for residents of the  
40 enterprise zone.

41 (h) After each reassessment of real property in an area under the  
42 county's reassessment plan under IC 6-1.1-4-4.2, the ~~department of~~

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1 local government finance county auditor shall, on forms prescribed  
 2 by the department of local government finance, adjust the base  
 3 assessed value one (1) time to neutralize any effect of the reassessment  
 4 of the real property in the area on the property tax proceeds allocated  
 5 to the military base reuse district under this section. After each annual  
 6 adjustment under IC 6-1.1-4-4.5, the department of local government  
 7 finance county auditor shall, on forms prescribed by the  
 8 department of local government finance, adjust the base assessed  
 9 value to neutralize any effect of the annual adjustment on the property  
 10 tax proceeds allocated to the military base reuse district under this  
 11 section. However, the adjustments under this subsection may not  
 12 include the effect of property tax abatements under IC 6-1.1-12.1, and  
 13 these adjustments may not produce less property tax proceeds allocable  
 14 to the military base reuse district under subsection (b)(3) than would  
 15 otherwise have been received if the reassessment under the county's  
 16 reassessment plan or annual adjustment had not occurred. ~~The~~  
 17 ~~department of local government finance may prescribe procedures for~~  
 18 ~~county and township officials to follow to assist the department in~~  
 19 ~~making the adjustments. The county auditor shall, in the manner~~  
 20 ~~prescribed by the department of local government finance, submit~~  
 21 ~~the forms required by this subsection to the department of local~~  
 22 ~~government finance no later than July 15 of each year.~~

23 (i) If the reuse authority adopts a declaratory resolution or an  
 24 amendment to a declaratory resolution that contains an allocation  
 25 provision and the reuse authority makes either of the filings required  
 26 under section 12(c) or 13(f) of this chapter after the first anniversary of  
 27 the effective date of the allocation provision, the auditor of the county  
 28 in which the military base reuse district is located shall compute the  
 29 base assessed value for the allocation area using the assessment date  
 30 immediately preceding the later of:

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

33 (2) the date on which the documents are filed with the department  
 34 of local government finance.

35 (j) For an allocation area established after June 30, 2024,  
 36 "residential property" refers to the assessed value of property that is  
 37 allocated to the one percent (1%) homestead land and improvement  
 38 categories in the county tax and billing software system, along with the  
 39 residential assessed value as defined for purposes of calculating the  
 40 rate for the local income tax property tax relief credit designated for  
 41 residential property under IC 6-3.6-5-6(d)(3) (before its expiration).

42 SECTION 161. IC 36-7-30.5-30, AS AMENDED BY P.L.174-2022,

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1 SECTION 75, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
2 UPON PASSAGE]: Sec. 30. (a) The following definitions apply  
3 throughout this section:

4 (1) "Allocation area" means that part of a military base  
5 development area to which an allocation provision of a  
6 declaratory resolution adopted under section 16 of this chapter  
7 refers for purposes of distribution and allocation of property taxes.

8 (2) "Base assessed value" means, subject to subsection (i):

9 (A) the net assessed value of all the property as finally  
10 determined for the assessment date immediately preceding the  
11 adoption date of the allocation provision of the declaratory  
12 resolution, as adjusted under subsection (h); plus

13 (B) to the extent that it is not included in clause (A) or (C), the  
14 net assessed value of any and all parcels or classes of parcels  
15 identified as part of the base assessed value in the declaratory  
16 resolution or an amendment to the declaratory resolution, as  
17 finally determined for any subsequent assessment date; plus  
18 (C) to the extent that it is not included in clause (A) or (B), the  
19 net assessed value of property that is assessed as residential  
20 property under the rules of the department of local government  
21 finance, within the allocation area, as finally determined for  
22 the current assessment date.

23 (3) "Property taxes" means taxes imposed under IC 6-1.1 on real  
24 property.

25 (b) A declaratory resolution adopted under section 16 of this chapter  
26 before the date set forth in IC 36-7-14-39(b) pertaining to declaratory  
27 resolutions adopted under IC 36-7-14-15 may include a provision with  
28 respect to the allocation and distribution of property taxes for the  
29 purposes and in the manner provided in this section. A declaratory  
30 resolution previously adopted may include an allocation provision by  
31 the amendment of that declaratory resolution in accordance with the  
32 procedures set forth in section 18 of this chapter. The allocation  
33 provision may apply to all or part of the military base development  
34 area. The allocation provision must require that any property taxes  
35 subsequently levied by or for the benefit of any public body entitled to  
36 a distribution of property taxes on taxable property in the allocation  
37 area be allocated and distributed as follows:

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

40 (A) the assessed value of the property for the assessment date  
41 with respect to which the allocation and distribution is made;  
42 or

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1 (B) the base assessed value;  
 2 shall be allocated to and, when collected, paid into the funds of  
 3 the respective taxing units.  
 4 (2) The excess of the proceeds of the property taxes imposed for  
 5 the assessment date with respect to which the allocation and  
 6 distribution is made that are attributable to taxes imposed after  
 7 being approved by the voters in a referendum or local public  
 8 question conducted after April 30, 2010, not otherwise included  
 9 in subdivision (1) shall be allocated to and, when collected, paid  
 10 into the funds of the taxing unit for which the referendum or local  
 11 public question was conducted.  
 12 (3) Except as otherwise provided in this section, property tax  
 13 proceeds in excess of those described in subdivisions (1) and (2)  
 14 shall be allocated to the development authority and, when  
 15 collected, paid into an allocation fund for that allocation area that  
 16 may be used by the development authority and only to do one (1)  
 17 or more of the following:  
 18 (A) Pay the principal of and interest and redemption premium  
 19 on any obligations incurred by the development authority or  
 20 any other entity for the purpose of financing or refinancing  
 21 military base development or reuse activities in or directly  
 22 serving or benefiting 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 or from other revenues of the development  
 26 authority, including lease rental revenues.  
 27 (C) Make payments on leases payable solely or in part from  
 28 allocated tax proceeds in that allocation area.  
 29 (D) Reimburse any other governmental body for expenditures  
 30 made for local public improvements (or structures) in or  
 31 directly serving or benefiting that allocation area.  
 32 (E) For property taxes first due and payable before 2009, pay  
 33 all or a part of a property tax replacement credit to taxpayers  
 34 in an allocation area as determined by the development  
 35 authority. This credit equals the amount determined under the  
 36 following STEPS for each taxpayer in a taxing district (as  
 37 defined in IC 6-1.1-1-20) that contains all or part of the  
 38 allocation area:  
 39 STEP ONE: Determine that part of the sum of the amounts  
 40 under IC 6-1.1-21-2(g)(1)(A), IC 6-1.1-21-2(g)(2),  
 41 IC 6-1.1-21-2(g)(3), IC 6-1.1-21-2(g)(4), and  
 42 IC 6-1.1-21-2(g)(5) (before their repeal) that is attributable to

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1 the taxing district.  
 2 STEP TWO: Divide:  
 3 (i) that part of each county's eligible property tax  
 4 replacement amount (as defined in IC 6-1.1-21-2 (before its  
 5 repeal)) for that year as determined under IC 6-1.1-21-4  
 6 (before its repeal) that is attributable to the taxing district;  
 7 by  
 8 (ii) the STEP ONE sum.  
 9 STEP THREE: Multiply:  
 10 (i) the STEP TWO quotient; by  
 11 (ii) the total amount of the taxpayer's taxes (as defined in  
 12 IC 6-1.1-21-2 (before its repeal)) levied in the taxing district  
 13 that have been allocated during that year to an allocation  
 14 fund under this section.  
 15 If not all the taxpayers in an allocation area receive the credit  
 16 in full, each taxpayer in the allocation area is entitled to  
 17 receive the same proportion of the credit. A taxpayer may not  
 18 receive a credit under this section and a credit under section  
 19 32 of this chapter (before its repeal) in the same year.  
 20 (F) Pay expenses incurred by the development authority for  
 21 local public improvements or structures that were in the  
 22 allocation area or directly serving or benefiting the allocation  
 23 area.  
 24 (G) Reimburse public and private entities for expenses  
 25 incurred in training employees of industrial facilities that are  
 26 located:  
 27 (i) in the allocation area; and  
 28 (ii) on a parcel of real property that has been classified as  
 29 industrial property under the rules of the department of local  
 30 government finance.  
 31 However, the total amount of money spent for this purpose in  
 32 any year may not exceed the total amount of money in the  
 33 allocation fund that is attributable to property taxes paid by the  
 34 industrial facilities described in this clause. The  
 35 reimbursements under this clause must be made not more than  
 36 three (3) years after the date on which the investments that are  
 37 the basis for the increment financing are made.  
 38 (H) Expend money and provide financial assistance as  
 39 authorized in section 15(26) of this chapter.  
 40 The allocation fund may not be used for operating expenses of the  
 41 development authority.  
 42 (4) Except as provided in subsection (g), before July 15 of each

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1 year the development authority shall do the following:

2 (A) Determine the amount, if any, by which property taxes

3 payable to the allocation fund in the following year will exceed

4 the amount of property taxes necessary to make, when due,

5 principal and interest payments on bonds described in

6 subdivision (3) plus the amount necessary for other purposes

7 described in subdivisions (2) and (3).

8 (B) Provide a written notice to the appropriate county auditors

9 and the fiscal bodies and other officers who are authorized to

10 fix budgets, tax rates, and tax levies under IC 6-1.1-17-5 for

11 each of the other taxing units that is wholly or partly located

12 within the allocation area. The notice must:

13 (i) state the amount, if any, of the excess property taxes that

14 the development authority has determined may be paid to

15 the respective taxing units in the manner prescribed in

16 subdivision (1); or

17 (ii) state that the development authority has determined that

18 there is no excess assessed value that may be allocated to the

19 respective taxing units in the manner prescribed in

20 subdivision (1).

21 The county auditors shall allocate to the respective taxing units

22 the amount, if any, of excess assessed value determined by the

23 development authority. The development authority may not

24 authorize a payment to the respective taxing units under this

25 subdivision if to do so would endanger the interest of the

26 holders of bonds described in subdivision (3) or lessors under

27 section 24 of this chapter. Property taxes received by a taxing

28 unit under this subdivision before 2009 are eligible for the

29 property tax replacement credit provided under IC 6-1.1-21

30 (before its repeal).

31 (c) For the purpose of allocating taxes levied by or for any taxing

32 unit or units, the assessed value of taxable property in a territory in the

33 allocation area that is annexed by a taxing unit after the effective date

34 of the allocation provision of the declaratory resolution is the lesser of:

35 (1) the assessed value of the property for the assessment date with

36 respect to which the allocation and distribution is made; or

37 (2) the base assessed value.

38 (d) Property tax proceeds allocable to the military base development

39 district under subsection (b)(3) may, subject to subsection (b)(4), be

40 irrevocably pledged by the military base development district for

41 payment as set forth in subsection (b)(3).

42 (e) Notwithstanding any other law, each assessor shall, upon

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1 petition of the development authority, reassess the taxable property  
 2 situated upon or in or added to the allocation area, effective on the next  
 3 assessment date after the petition.

4 (f) Notwithstanding any other law, the assessed value of all taxable  
 5 property in the allocation area, for purposes of tax limitation, property  
 6 tax replacement, and the making of the budget, tax rate, and tax levy  
 7 for each political subdivision in which the property is located is the  
 8 lesser of:

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

11 (2) the base assessed value.

12 (g) If any part of the allocation area is located in an enterprise zone  
 13 created under IC 5-28-15, the development authority shall create funds  
 14 as specified in this subsection. A development authority that has  
 15 obligations, bonds, or leases payable from allocated tax proceeds under  
 16 subsection (b)(3) shall establish an allocation fund for the purposes  
 17 specified in subsection (b)(3) and a special zone fund. The  
 18 development authority shall, until the end of the enterprise zone phase  
 19 out period, deposit each year in the special zone fund any amount in the  
 20 allocation fund derived from property tax proceeds in excess of those  
 21 described in subsection (b)(1) and (b)(2) from property located in the  
 22 enterprise zone that exceeds the amount sufficient for the purposes  
 23 specified in subsection (b)(3) for the year. The amount sufficient for  
 24 purposes specified in subsection (b)(3) for the year shall be determined  
 25 based on the pro rata part of such current property tax proceeds from  
 26 the part of the enterprise zone that is within the allocation area as  
 27 compared to all such current property tax proceeds derived from the  
 28 allocation area. A development authority that does not have  
 29 obligations, bonds, or leases payable from allocated tax proceeds under  
 30 subsection (b)(3) shall establish a special zone fund and deposit all the  
 31 property tax proceeds in excess of those described in subsection (b)(1)  
 32 and (b)(2) that are derived from property in the enterprise zone in the  
 33 fund. The development authority that creates the special zone fund  
 34 shall use the fund (based on the recommendations of the urban  
 35 enterprise association) for programs in job training, job enrichment,  
 36 and basic skill development that are designed to benefit residents and  
 37 employers in the enterprise zone or for other purposes specified in  
 38 subsection (b)(3), except that where reference is made in subsection  
 39 (b)(3) to an allocation area it shall refer for purposes of payments from  
 40 the special zone fund only to that part of the allocation area that is also  
 41 located in the enterprise zone. The programs shall reserve at least  
 42 one-half (1/2) of their enrollment in any session for residents of the

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1 enterprise zone.

2 (h) After each reassessment of real property in an area under a  
 3 reassessment plan prepared under IC 6-1.1-4-4.2, the ~~department of~~  
 4 ~~local government finance~~ **county auditor** shall, **on forms prescribed**  
 5 **by the department of local government finance**, adjust the base  
 6 assessed value one (1) time to neutralize any effect of the reassessment  
 7 of the real property in the area on the property tax proceeds allocated  
 8 to the military base development district under this section. After each  
 9 annual adjustment under IC 6-1.1-4-4.5, the ~~department of local~~  
 10 ~~government finance~~ **county auditor** shall, **on forms prescribed by the**  
 11 **department of local government finance**, adjust the base assessed  
 12 value to neutralize any effect of the annual adjustment on the property  
 13 tax proceeds allocated to the military base development district under  
 14 this section. However, the adjustments under this subsection may not  
 15 include the effect of property tax abatements under IC 6-1.1-12.1, and  
 16 these adjustments may not produce less property tax proceeds allocable  
 17 to the military base development district under subsection (b)(3) than  
 18 would otherwise have been received if the reassessment under the  
 19 county's reassessment plan or annual adjustment had not occurred. ~~The~~  
 20 ~~department of local government finance may prescribe procedures for~~  
 21 ~~county and township officials to follow to assist the department in~~  
 22 ~~making the adjustments.~~ **The county auditor shall, in the manner**  
 23 **prescribed by the department of local government finance, submit**  
 24 **the forms required by this subsection to the department of local**  
 25 **government finance no later than July 15 of each year.**

26 (i) If the development authority adopts a declaratory resolution or  
 27 an amendment to a declaratory resolution that contains an allocation  
 28 provision and the development authority makes either of the filings  
 29 required under section 17(e) or 18(f) of this chapter after the first  
 30 anniversary of the effective date of the allocation provision, the auditor  
 31 of the county in which the military base development district is located  
 32 shall compute the base assessed value for the allocation area using the  
 33 assessment date immediately preceding the later of:

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

36 (2) the date on which the documents are filed with the department  
 37 of local government finance.

38 (j) For an allocation area established after June 30, 2024,  
 39 "residential property" refers to the assessed value of property that is  
 40 allocated to the one percent (1%) homestead land and improvement  
 41 categories in the county tax and billing software system, along with the  
 42 residential assessed value as defined for purposes of calculating the

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1 rate for the local income tax property tax relief credit designated for  
2 residential property under IC 6-3.6-5-6(d)(3).

3 SECTION 162. IC 36-7-30.5-30, AS AMENDED BY P.L.68-2025,  
4 SECTION 238, IS AMENDED TO READ AS FOLLOWS  
5 [EFFECTIVE UPON PASSAGE]: Sec. 30. (a) The following  
6 definitions apply throughout this section:

7 (1) "Allocation area" means that part of a military base  
8 development area to which an allocation provision of a  
9 declaratory resolution adopted under section 16 of this chapter  
10 refers for purposes of distribution and allocation of property taxes.

11 (2) "Base assessed value" means, subject to subsection (i):

12 (A) the net assessed value of all the property as finally  
13 determined for the assessment date immediately preceding the  
14 adoption date of the allocation provision of the declaratory  
15 resolution, as adjusted under subsection (h); plus

16 (B) to the extent that it is not included in clause (A) or (C), the  
17 net assessed value of any and all parcels or classes of parcels  
18 identified as part of the base assessed value in the declaratory  
19 resolution or an amendment to the declaratory resolution, as

20 finally determined for any subsequent assessment date; plus  
21 (C) to the extent that it is not included in clause (A) or (B), the  
22 net assessed value of property that is assessed as residential  
23 property under the rules of the department of local government

24 finance, within the allocation area, as finally determined for  
25 the current assessment date.

26 (3) "Property taxes" means taxes imposed under IC 6-1.1 on real  
27 property.

28 (b) A declaratory resolution adopted under section 16 of this chapter  
29 before the date set forth in IC 36-7-14-39(b) pertaining to declaratory  
30 resolutions adopted under IC 36-7-14-15 may include a provision with  
31 respect to the allocation and distribution of property taxes for the  
32 purposes and in the manner provided in this section. A declaratory  
33 resolution previously adopted may include an allocation provision by  
34 the amendment of that declaratory resolution in accordance with the  
35 procedures set forth in section 18 of this chapter. The allocation  
36 provision may apply to all or part of the military base development  
37 area. The allocation provision must require that any property taxes  
38 subsequently levied by or for the benefit of any public body entitled to  
39 a distribution of property taxes on taxable property in the allocation  
40 area be allocated and distributed as follows:

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

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1 (A) the assessed value of the property for the assessment date  
 2 with respect to which the allocation and distribution is made;  
 3 or  
 4 (B) the base assessed value;  
 5 shall be allocated to and, when collected, paid into the funds of  
 6 the respective taxing units.  
 7 (2) The excess of the proceeds of the property taxes imposed for  
 8 the assessment date with respect to which the allocation and  
 9 distribution is made that are attributable to taxes imposed after  
 10 being approved by the voters in a referendum or local public  
 11 question conducted after April 30, 2010, not otherwise included  
 12 in subdivision (1) shall be allocated to and, when collected, paid  
 13 into the funds of the taxing unit for which the referendum or local  
 14 public question was conducted.  
 15 (3) Except as otherwise provided in this section, property tax  
 16 proceeds in excess of those described in subdivisions (1) and (2)  
 17 shall be allocated to the development authority and, when  
 18 collected, paid into an allocation fund for that allocation area that  
 19 may be used by the development authority and only to do one (1)  
 20 or more of the following:  
 21 (A) Pay the principal of and interest and redemption premium  
 22 on any obligations incurred by the development authority or  
 23 any other entity for the purpose of financing or refinancing  
 24 military base development or reuse activities in or directly  
 25 serving or benefiting that allocation area.  
 26 (B) Establish, augment, or restore the debt service reserve for  
 27 bonds payable solely or in part from allocated tax proceeds in  
 28 that allocation area or from other revenues of the development  
 29 authority, including lease rental revenues.  
 30 (C) Make payments on leases payable solely or in part from  
 31 allocated tax proceeds in that allocation area.  
 32 (D) Reimburse any other governmental body for expenditures  
 33 made for local public improvements (or structures) in or  
 34 directly serving or benefiting that allocation area.  
 35 (E) For property taxes first due and payable before 2009, pay  
 36 all or a part of a property tax replacement credit to taxpayers  
 37 in an allocation area as determined by the development  
 38 authority. This credit equals the amount determined under the  
 39 following STEPS for each taxpayer in a taxing district (as  
 40 defined in IC 6-1.1-1-20) that contains all or part of the  
 41 allocation area:  
 42 STEP ONE: Determine that part of the sum of the amounts

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1 under IC 6-1.1-21-2(g)(1)(A), IC 6-1.1-21-2(g)(2),  
2 IC 6-1.1-21-2(g)(3), IC 6-1.1-21-2(g)(4), and  
3 IC 6-1.1-21-2(g)(5) (before their repeal) that is attributable to  
4 the taxing district.

5 STEP TWO: Divide:

6 (i) that part of each county's eligible property tax  
7 replacement amount (as defined in IC 6-1.1-21-2 (before its  
8 repeal)) for that year as determined under IC 6-1.1-21-4  
9 (before its repeal) that is attributable to the taxing district;  
10 by

11 (ii) the STEP ONE sum.

12 STEP THREE: Multiply:

13 (i) the STEP TWO quotient; by

14 (ii) the total amount of the taxpayer's taxes (as defined in  
15 IC 6-1.1-21-2 (before its repeal)) levied in the taxing district  
16 that have been allocated during that year to an allocation  
17 fund under this section.

18 If not all the taxpayers in an allocation area receive the credit  
19 in full, each taxpayer in the allocation area is entitled to  
20 receive the same proportion of the credit. A taxpayer may not  
21 receive a credit under this section and a credit under section  
22 32 of this chapter (before its repeal) in the same year.

23 (F) Pay expenses incurred by the development authority for  
24 local public improvements or structures that were in the  
25 allocation area or directly serving or benefiting the allocation  
26 area.

27 (G) Reimburse public and private entities for expenses  
28 incurred in training employees of industrial facilities that are  
29 located:

30 (i) in the allocation area; and

31 (ii) on a parcel of real property that has been classified as  
32 industrial property under the rules of the department of local  
33 government finance.

34 However, the total amount of money spent for this purpose in  
35 any year may not exceed the total amount of money in the  
36 allocation fund that is attributable to property taxes paid by the  
37 industrial facilities described in this clause. The  
38 reimbursements under this clause must be made not more than  
39 three (3) years after the date on which the investments that are  
40 the basis for the increment financing are made.

41 (H) Expend money and provide financial assistance as  
42 authorized in section 15(26) of this chapter.

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1 The allocation fund may not be used for operating expenses of the  
2 development authority.

3 (4) Except as provided in subsection (g), before July 15 of each  
4 year the development authority shall do the following:

5 (A) Determine the amount, if any, by which property taxes  
6 payable to the allocation fund in the following year will exceed  
7 the amount of property taxes necessary to make, when due,  
8 principal and interest payments on bonds described in  
9 subdivision (3) plus the amount necessary for other purposes  
10 described in subdivisions (2) and (3).

11 (B) Provide a written notice to the appropriate county auditors  
12 and the fiscal bodies and other officers who are authorized to  
13 fix budgets, tax rates, and tax levies under IC 6-1.1-17-5 for  
14 each of the other taxing units that is wholly or partly located  
15 within the allocation area. The notice must:

16 (i) state the amount, if any, of the excess property taxes that  
17 the development authority has determined may be paid to  
18 the respective taxing units in the manner prescribed in  
19 subdivision (1); or

20 (ii) state that the development authority has determined that  
21 there is no excess assessed value that may be allocated to the  
22 respective taxing units in the manner prescribed in  
23 subdivision (1).

24 The county auditors shall allocate to the respective taxing units  
25 the amount, if any, of excess assessed value determined by the  
26 development authority. The development authority may not  
27 authorize a payment to the respective taxing units under this  
28 subdivision if to do so would endanger the interest of the  
29 holders of bonds described in subdivision (3) or lessors under  
30 section 24 of this chapter. Property taxes received by a taxing  
31 unit under this subdivision before 2009 are eligible for the  
32 property tax replacement credit provided under IC 6-1.1-21  
33 (before its repeal).

34 (c) For the purpose of allocating taxes levied by or for any taxing  
35 unit or units, the assessed value of taxable property in a territory in the  
36 allocation area that is annexed by a taxing unit after the effective date  
37 of the allocation provision of the declaratory resolution is the lesser of:

38 (1) the assessed value of the property for the assessment date with  
39 respect to which the allocation and distribution is made; or

40 (2) the base assessed value.

41 (d) Property tax proceeds allocable to the military base development  
42 district under subsection (b)(3) may, subject to subsection (b)(4), be

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1 irrevocably pledged by the military base development district for  
2 payment as set forth in subsection (b)(3).

3 (e) Notwithstanding any other law, each assessor shall, upon  
4 petition of the development authority, reassess the taxable property  
5 situated upon or in or added to the allocation area, effective on the next  
6 assessment date after the petition.

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

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

14 (2) the base assessed value.

15 (g) If any part of the allocation area is located in an enterprise zone  
16 created under IC 5-28-15, the development authority shall create funds  
17 as specified in this subsection. A development authority that has  
18 obligations, bonds, or leases payable from allocated tax proceeds under  
19 subsection (b)(3) shall establish an allocation fund for the purposes  
20 specified in subsection (b)(3) and a special zone fund. The  
21 development authority shall, until the end of the enterprise zone phase  
22 out period, deposit each year in the special zone fund any amount in the  
23 allocation fund derived from property tax proceeds in excess of those  
24 described in subsection (b)(1) and (b)(2) from property located in the  
25 enterprise zone that exceeds the amount sufficient for the purposes  
26 specified in subsection (b)(3) for the year. The amount sufficient for  
27 purposes specified in subsection (b)(3) for the year shall be determined  
28 based on the pro rata part of such current property tax proceeds from  
29 the part of the enterprise zone that is within the allocation area as  
30 compared to all such current property tax proceeds derived from the  
31 allocation area. A development authority that does not have  
32 obligations, bonds, or leases payable from allocated tax proceeds under  
33 subsection (b)(3) shall establish a special zone fund and deposit all the  
34 property tax proceeds in excess of those described in subsection (b)(1)  
35 and (b)(2) that are derived from property in the enterprise zone in the  
36 fund. The development authority that creates the special zone fund  
37 shall use the fund (based on the recommendations of the urban  
38 enterprise association) for programs in job training, job enrichment,  
39 and basic skill development that are designed to benefit residents and  
40 employers in the enterprise zone or for other purposes specified in  
41 subsection (b)(3), except that where reference is made in subsection  
42 (b)(3) to an allocation area it shall refer for purposes of payments from

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1 the special zone fund only to that part of the allocation area that is also  
 2 located in the enterprise zone. The programs shall reserve at least  
 3 one-half (1/2) of their enrollment in any session for residents of the  
 4 enterprise zone.

5 (h) After each reassessment of real property in an area under a  
 6 reassessment plan prepared under IC 6-1.1-4-4.2, the ~~department of~~  
 7 ~~local government finance~~ **county auditor** shall, **on forms prescribed**  
 8 **by the department of local government finance**, adjust the base  
 9 assessed value one (1) time to neutralize any effect of the reassessment  
 10 of the real property in the area on the property tax proceeds allocated  
 11 to the military base development district under this section. After each  
 12 annual adjustment under IC 6-1.1-4-4.5, the ~~department of local~~  
 13 ~~government finance~~ **county auditor** shall, **on forms prescribed by the**  
 14 **department of local government finance**, adjust the base assessed  
 15 value to neutralize any effect of the annual adjustment on the property  
 16 tax proceeds allocated to the military base development district under  
 17 this section. However, the adjustments under this subsection may not  
 18 include the effect of property tax abatements under IC 6-1.1-12.1, and  
 19 these adjustments may not produce less property tax proceeds allocable  
 20 to the military base development district under subsection (b)(3) than  
 21 would otherwise have been received if the reassessment under the  
 22 county's reassessment plan or annual adjustment had not occurred. ~~The~~  
 23 ~~department of local government finance may prescribe procedures for~~  
 24 ~~county and township officials to follow to assist the department in~~  
 25 ~~making the adjustments.~~ **The county auditor shall, in the manner**  
 26 **prescribed by the department of local government finance, submit**  
 27 **the forms required by this subsection to the department of local**  
 28 **government finance no later than July 15 of each year.**

29 (i) If the development authority adopts a declaratory resolution or  
 30 an amendment to a declaratory resolution that contains an allocation  
 31 provision and the development authority makes either of the filings  
 32 required under section 17(e) or 18(f) of this chapter after the first  
 33 anniversary of the effective date of the allocation provision, the auditor  
 34 of the county in which the military base development district is located  
 35 shall compute the base assessed value for the allocation area using the  
 36 assessment date immediately preceding the later of:

- 37 (1) the date on which the documents are filed with the county
- 38 auditor; or
- 39 (2) the date on which the documents are filed with the department
- 40 of local government finance.

41 (j) For an allocation area established after June 30, 2024,  
 42 "residential property" refers to the assessed value of property that is

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1 allocated to the one percent (1%) homestead land and improvement  
2 categories in the county tax and billing software system, along with the  
3 residential assessed value as defined for purposes of calculating the  
4 rate for the local income tax property tax relief credit designated for  
5 residential property under IC 6-3.6-5-6(d)(3) (before its expiration).

6 SECTION 163. IC 36-7-32-19, AS AMENDED BY P.L.86-2018,  
7 SECTION 349, IS AMENDED TO READ AS FOLLOWS  
8 [EFFECTIVE UPON PASSAGE]: Sec. 19. (a) The state board of  
9 accounts and department of local government finance shall make the  
10 rules and prescribe the forms and procedures that the state board of  
11 accounts and department of local government finance consider  
12 appropriate for the implementation of an allocation area under this  
13 chapter.

14 (b) After each reassessment of real property in an area under a  
15 reassessment plan prepared under IC 6-1.1-4-4.2, the ~~department of~~  
16 ~~local government finance~~ **county auditor** shall, **on forms prescribed**  
17 **by the department of local government finance**, adjust the base  
18 assessed value one (1) time to neutralize any effect of the reassessment  
19 of the real property in the area on the property tax proceeds allocated  
20 to the certified technology park fund under section 17 of this chapter.  
21 After each annual adjustment under IC 6-1.1-4-4.5, the ~~department of~~  
22 ~~local government finance~~ **county auditor** shall, **on forms prescribed**  
23 **by the department of local government finance**, adjust the base  
24 assessed value to neutralize any effect of the annual adjustment on the  
25 property tax proceeds allocated to the certified technology park fund  
26 under section 17 of this chapter.

27 (c) **The county auditor shall, in the manner prescribed by the**  
28 **department of local government finance, submit the forms**  
29 **required by this section to the department of local government**  
30 **finance no later than July 15 of each year.**

31 SECTION 164. IC 36-7-32.5-16, AS ADDED BY P.L.135-2022,  
32 SECTION 28, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
33 UPON PASSAGE]: Sec. 16. (a) The state board of accounts, the  
34 department of state revenue, and the department of local government  
35 finance may adopt rules under IC 4-22-2 and prescribe the forms and  
36 procedures that the state board of accounts, the department of state  
37 revenue, and the department of local government finance consider  
38 appropriate for the implementation of an innovation development  
39 district under this chapter. However, before adopting rules under this  
40 section, the state board of accounts, the department of state revenue,  
41 and the department of local government finance shall submit a report  
42 to the budget committee that:

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1 (1) describes the rules proposed by the state board of accounts,  
2 the department of state revenue, and the department of local  
3 government finance; and

4 (2) recommends statutory changes necessary to implement the  
5 provisions of this chapter.

6 (b) After each reassessment of real property in an area under a  
7 county's reassessment plan prepared under IC 6-1.1-4-4.2, the  
8 ~~department of local government finance~~ **county auditor** shall, **on**  
9 **forms prescribed by the department of local government finance**,  
10 adjust the base assessed value one (1) time to neutralize any effect of  
11 the reassessment of the real property in the area on the property tax  
12 proceeds allocated to the local innovation development district fund  
13 established by section 19 of this chapter.

14 (c) After each annual adjustment under IC 6-1.1-4-4.5, the  
15 ~~department of local government finance~~ **county auditor** shall, **on**  
16 **forms prescribed by the department of local government finance**,  
17 adjust the base assessed value to neutralize any effect of the annual  
18 adjustment on the property tax proceeds allocated to the local  
19 innovation development district fund established by section 19 of this  
20 chapter.

21 (d) **The county auditor shall, in the manner prescribed by the**  
22 **department of local government finance, submit the forms**  
23 **required by this section to the department of local government**  
24 **finance no later than July 15 of each year.**

25 SECTION 165. IC 36-7-42.5 IS ADDED TO THE INDIANA  
26 CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS  
27 [EFFECTIVE JULY 1, 2026]:

28 **Chapter 42.5. Tourism Improvement Districts**

29 **Sec. 1. This chapter applies to all units except townships.**

30 **Sec. 2. As used in this chapter, "activities" means any programs**  
31 **or services that promote business activity or tourism activity and**  
32 **are provided to confer specific benefits upon the businesses that**  
33 **are located in the tourism improvement district.**

34 **Sec. 3. As used in this chapter, "district" means a tourism**  
35 **improvement district established by an ordinance adopted under**  
36 **section 13 of this chapter.**

37 **Sec. 4. As used in this chapter, "district management**  
38 **association" means a private nonprofit entity designated in the**  
39 **district plan that enters into a contract with a unit to administer**  
40 **and implement the district's activities and improvements.**

41 **Sec. 5. As used in this chapter, "district plan" means a proposal**  
42 **for a district that contains the information described in section 9(c)**

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1 of this chapter.

2 **Sec. 6.** As used in this chapter, "improvements" means the  
3 acquisition, construction, installation, or maintenance of any  
4 tangible property in the district with an estimated useful life of five  
5 (5) years or more.

6 **Sec. 7.** As used in this chapter, "legislative body" has the  
7 meaning set forth in IC 36-1-2-9.

8 **Sec. 8.** As used in this chapter, "owner" refers to any person  
9 recognized by the unit as the owner of a business within the  
10 district, without regard to whether the person is the owner of the  
11 real property on which the business is located.

12 **Sec. 9. (a)** A person that intends to file a petition for the  
13 establishment of a district under this section must first provide  
14 written notice to the clerk (as defined in IC 36-1-2-4) in the case of  
15 a municipality, or the county auditor in the case of a county, of the  
16 person's intent before initiating the petition process.

17 **(b)** A petition for the establishment of a district may be filed  
18 with the clerk of the municipality or the county auditor not later  
19 than one hundred twenty (120) days after the date on which the  
20 notice of intent for the petition is filed with the clerk of the  
21 municipality or the county auditor under subsection (a). The  
22 petition shall include the name and legal status of the filing party  
23 and the district plan.

24 **(c)** The district plan shall include at least the following:

25 **(1)** The name of the proposed district.  
26 **(2)** Subject to section 9.5 of this chapter, a map of the  
27 proposed district, including a description of the boundaries of  
28 the district in a manner sufficient to identify the businesses  
29 included.

30 **(3)** The proposed source or sources of financing, including:  
31 **(A)** the proposed method and basis of levying the special  
32 assessment in sufficient detail to allow each owner to  
33 calculate the amount of the special assessment that may be  
34 levied against the owner's business; and  
35 **(B)** whether the district may issue bonds to finance  
36 improvements.

37 **(4)** A list of the businesses to be assessed and a statement of  
38 the manner in which the expenses of a district using a method  
39 allowed under section 11 of this chapter will be imposed upon  
40 a benefited business in proportion to the benefit received by  
41 the business, including costs for operation and maintenance.

42 **(5)** For purposes of imposing the special assessment and

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1 determining the benefits of the district's activities and  
 2 improvements, a classification of the types of businesses  
 3 within the proposed district. The classification may include  
 4 the following variations in the assessment formula:

5 (A) Square footage of the business.

6 (B) Number of employees.

7 (C) Geography.

8 (D) Gross sales.

9 (E) Other similar factors that reasonably relate to the  
 10 benefit received.

11 (6) An estimate of the amount of revenue needed to  
 12 accomplish or pay for the district's proposed activities and  
 13 improvements.

14 (7) Subject to section 9.5 of this chapter, a statement  
 15 identifying the district management association, including the  
 16 district management association's board of directors and  
 17 governance structure and any proposed rules or regulations  
 18 that may be applicable to the district.

19 (8) A statement indicating where a complete copy of the  
 20 district plan, whether in hard copy or electronic form, may be  
 21 obtained or accessed.

22 (9) Any other item or matter required to be incorporated in  
 23 the district plan by the unit's legislative body. The legislative  
 24 body may require in the district plan that the boundaries of  
 25 the district be drawn to:

26 (A) exclude businesses; or

27 (B) prevent overlap of the district with another district or  
 28 area in which a special assessment is imposed.

29 **Sec. 9.5. Owners of the following property may not be included**  
 30 **within the territory of a district and the owners of such property**  
 31 **shall not be considered in determining whether the petition**  
 32 **signature requirements under section 13 of this chapter are met:**

33 (1) Any property that receives a homestead standard  
 34 deduction under IC 6-1.1-12-37.

35 (2) Any property that is used for single family residential  
 36 housing.

37 (3) Any property that is used for multi-unit residential  
 38 housing.

39 In addition, the property described in this section shall not be  
 40 subject to a special assessment under this chapter.

41 **Sec. 10. Subject to section 9.5 of this chapter, the territory of a**  
 42 **tourism improvement district:**

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1           (1) in the case of a municipality, may include only territory  
 2           within the municipality; or  
 3           (2) in the case of a county, may include only territory of the  
 4           county that is not within any municipality in the county.  
 5           Sec. 11. (a) A special assessment on businesses located within the  
 6           district shall be levied on the basis of the estimated benefit to the  
 7           businesses within the district. The unit's legislative body may use  
 8           the classification of the types of businesses described in section  
 9           9(c)(5) of this chapter in determining the benefit to a business  
 10          provided by the district.  
 11          (b) The special assessment that may be levied on businesses  
 12          located within the district may take any form that confers benefits  
 13          to the assessed business and may include any combination of the  
 14          following methods:  
 15               (1) A percentage rate per transaction at a business within the  
 16               district.  
 17               (2) A fixed rate per transaction per day at a business within  
 18               the district.  
 19               (3) A percentage of gross sales at a business within the  
 20               district.  
 21          (c) The special assessment may be levied on different types of  
 22          businesses located within the district and is not required to be  
 23          levied on the same basis or at the same rate.  
 24          Sec. 12. (a) After receipt of a petition under section 9 of this  
 25          chapter, the clerk of the municipality or the county auditor shall,  
 26          in the manner provided by IC 5-3-1, publish notice of a hearing on  
 27          the proposed district. The clerk of the municipality or the county  
 28          auditor shall mail a copy of the notice to each owner within the  
 29          proposed district. The notice must include the boundaries of the  
 30          proposed district, a description of the proposed activities and  
 31          improvements, the proposed formula for determining the  
 32          percentage of the total benefit to be received by each business, the  
 33          method of determining the benefit received by each business, and  
 34          the hearing date. The date of the hearing may not be more than  
 35          sixty (60) days after the date on which the notice is mailed.  
 36          (b) At the public hearing under subsection (a), the legislative  
 37          body shall hear all owners in the proposed district (who appear  
 38          and request to be heard) upon the questions of:  
 39               (1) the sufficiency of the notice;  
 40               (2) whether the proposed activities and improvements are of  
 41               public utility and benefit;  
 42               (3) whether the formula or method to be used for the

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- 1 assessment of special benefits is appropriate;
- 2 (4) whether the district contains all, or more or less than all,
- 3 of the territory specially benefited by the activities and
- 4 improvements; and
- 5 (5) whether each individual business owner:
  - 6 (A) that did not sign to approve the petition; and
  - 7 (B) would be subject to the assessment of the district that
  - 8 has otherwise reached the approval threshold;
  - 9 wishes to make a request for exclusion from the district, to be
  - 10 approved or denied by the legislative body before the final
  - 11 passage of the ordinance establishing the district.

12 **Sec. 13. (a) After conducting a hearing on the proposed district,**  
 13 **the legislative body may adopt an ordinance establishing the**  
 14 **district if it determines that:**

- 15 (1) the petition meets the requirements of this section and
- 16 sections 9 through 11 of this chapter;
- 17 (2) the activities and improvements to be undertaken in the
- 18 district will provide special benefits to businesses in the
- 19 district and will be of public utility and benefit;
- 20 (3) the benefits provided by the activities and improvements
- 21 will be new benefits that do not replace benefits existing
- 22 before the establishment of the district; and
- 23 (4) the formula or method to be used for the assessment of
- 24 special benefits is appropriate.

25 (b) The legislative body may adopt the ordinance only if it  
 26 determines that the petition has been signed by:

- 27 (1) at least sixty-seven percent (67%) of the owners of
- 28 businesses within the proposed district; and
- 29 (2) the owners of businesses within the proposed district that
- 30 constitute more than fifty percent (50%) of the revenue to be
- 31 collected from the special assessments.

32 (c) The ordinance shall:

- 33 (1) incorporate the information set forth in the district plan;
- 34 (2) specify the time and manner in which special assessments
- 35 levied under this chapter are to be collected and paid to the
- 36 unit's fiscal officer for deposit in the tourism improvement
- 37 fund established under section 14 of this chapter; and
- 38 (3) include any other content that the legislative body
- 39 determines is reasonable as it relates to the operation of the
- 40 district.

41 For purposes of subdivision (2), the collection of special  
 42 assessments under this chapter may occur at the same time and in

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1 the same manner as for an innkeeper's tax under IC 6-9, including  
 2 the application of any enforcement mechanisms and interest and  
 3 penalty attributable to innkeeper's taxes under IC 6-9-29.

4 (d) The adoption of an ordinance establishing a district does not  
 5 affect and may not be construed to authorize any decrease in the  
 6 level of publicly funded tourism promotion services that existed  
 7 before the district's establishment.

8 Sec. 14. (a) The unit's fiscal officer shall establish a special fund,  
 9 known as the tourism improvement fund, and shall deposit in the  
 10 tourism improvement fund all special assessments received under  
 11 this chapter and any other amounts received by the fiscal officer.

12 (b) The unit's fiscal officer may transfer money in the tourism  
 13 improvement fund to the district management association to be  
 14 used only for the purposes specified in the ordinance establishing  
 15 the district. Any bonds issued under this chapter are payable solely  
 16 from special assessments deposited in the tourism improvement  
 17 fund and other revenues of the district.

18 (c) Any money earned from investment of money in the tourism  
 19 improvement fund becomes a part of the tourism improvement  
 20 fund.

21 Sec. 15. (a) The unit shall contract with the district management  
 22 association designated in the district plan to administer and  
 23 implement the district's activities and improvements.

24 (b) The district management association may be either an  
 25 existing nonprofit corporation or a newly formed nonprofit  
 26 corporation. If the district management association is a new  
 27 nonprofit corporation created to manage the district, the certificate  
 28 of incorporation or bylaws of the district management association  
 29 shall provide for voting representation of owners within the  
 30 district. If the district management association is an existing  
 31 nonprofit corporation, the existing nonprofit corporation may  
 32 create a committee of district owners or owners' representatives.

33 (c) The district management association may make  
 34 recommendations to the unit's legislative body with respect to any  
 35 matter involving or relating to the district.

36 (d) The unit's legislative body, for any consideration that it  
 37 considers appropriate, may license or grant to the district  
 38 management association the right to undertake or permit  
 39 commercial activities or other private uses of the streets or other  
 40 parts of the district in which the unit has any real property  
 41 interest.

42 Sec. 16. (a) A district may issue bonds to provide improvements.

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1       **The term of any bonds issued may not exceed ten (10) years. If a**  
 2       **district is renewed under section 17 of this chapter, the term of any**  
 3       **bonds issued may not exceed ten (10) years from the date of**  
 4       **renewal.**

5       **(b) Bonds issued under this chapter do not constitute an**  
 6       **indebtedness of the unit within the meaning of a constitutional or**  
 7       **statutory debt limitation.**

8       **Sec. 17. (a) The initial term for a district shall be at least three**  
 9       **(3) years and not more than ten (10) years.**

10       **(b) A district may be renewed for one (1) additional period of**  
 11       **not more than ten (10) years by following the procedures for the**  
 12       **initial establishment of a district as set forth in sections 9 through**  
 13       **13 of this chapter.**

14       **(c) If a district is renewed, any remaining revenues derived from**  
 15       **the levy of a special assessment, or any revenues derived from the**  
 16       **sale of assets acquired with the revenues, shall be transferred to the**  
 17       **renewed district. The following apply to the transfer of any**  
 18       **remaining revenues of a renewed district:**

19           **(1) If the renewed district includes a business not included in**  
 20           **the prior district, the remaining revenues shall be spent to**  
 21           **benefit only the business in the prior district.**

22           **(2) If the renewed district does not include a business included**  
 23           **in the prior district, the remaining revenues attributable to**  
 24           **the parcel shall be refunded to the owners of the business by**  
 25           **applying the method the district used under section 11 of this**  
 26           **chapter to calculate the special assessment before the renewal.**

27       **(d) The boundaries, special assessments, improvements, or**  
 28       **activities of a renewed district are not required to be the same as**  
 29       **the original or prior district.**

30       **Sec. 18. An ordinance adopted under section 13 of this chapter**  
 31       **may be amended if notice of the proposed amendment is published**  
 32       **and mailed in the manner provided by section 12 of this chapter.**  
 33       **However, if an amendment proposes to:**

34           **(1) levy a new or increased special assessment;**

35           **(2) change the district's boundaries; or**

36           **(3) issue a new bond;**

37       **the unit's legislative body shall require compliance with the**  
 38       **procedures set forth in sections 9 through 13 of this chapter before**  
 39       **amending the ordinance.**

40       **Sec. 19. (a) During the operation of the district, there shall be a**  
 41       **thirty (30) day period, beginning one (1) year after the date of the**  
 42       **district's establishment and in each year thereafter, in which the**

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1 owners may request dissolution of the district in accordance with  
 2 this section.

3 (b) After a public hearing before the unit's legislative body, the  
 4 legislative body may dissolve a district by ordinance in either of the  
 5 following circumstances:

6 (1) If the legislative body finds there has been  
 7 misappropriation of funds, malfeasance, or a violation of law  
 8 in connection with the management of the district.

9 (2) At any time during the annual thirty (30) day period  
 10 described in subsection (a).

11 (c) Upon the written petitions of the owners or authorized  
 12 representatives of businesses in the district that pay fifty percent  
 13 (50%) or more of the special assessments levied, the unit's  
 14 legislative body shall pass a resolution of intention to dissolve the  
 15 district.

16 (d) The unit's legislative body shall first adopt a resolution of  
 17 intention to dissolve the district before the public hearing to  
 18 dissolve a district under this section. The resolution of intention  
 19 must include each of the following items:

20 (1) The reason for the dissolution.

21 (2) The time and place of the public hearing.

22 (3) A proposal to dispose of any assets acquired with the  
 23 revenues of the special assessments levied within the district.

24 The notice of the hearing on the resolution of intent to dissolve the  
 25 district shall be published in the manner provided by IC 5-3-1 and  
 26 must also be given by mail to the owner of each business subject to  
 27 a special assessment in the district. The legislative body shall  
 28 conduct the public hearing on the resolution of intention to dissolve  
 29 the district not later than thirty (30) days after the date the notice  
 30 is mailed to the assessed owners.

31 (e) The public hearing to dissolve the district shall be held not  
 32 more than sixty (60) days after the date of the adoption of the  
 33 resolution of intention.

34 (f) A dissolution of a district under this section has the effect of  
 35 repealing the ordinance adopted under section 13 of this chapter  
 36 that established the district.

37 Sec. 20. (a) The district management association shall submit an  
 38 annual report to the legislative body and the fiscal body before  
 39 January 1 of each year, beginning in the year after the first year of  
 40 the district's establishment.

41 (b) The report shall contain the following information:

42 (1) The use of revenue collected from special assessments

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1           levied under this chapter for that year.  
 2           (2) The activities and improvements to be provided for the  
 3           ensuing year and an estimate of the cost of providing the  
 4           activities and improvements for the ensuing year.  
 5           (3) The estimated amount of any surplus or deficit revenues  
 6           to be carried over from the prior year.  
 7           **Sec. 21. (a) Upon the dissolution or expiration without renewal**  
 8           **of a district, any remaining revenues, after all outstanding debts**  
 9           **are paid, derived from the:**  
 10           (1) levy of special assessments; or  
 11           (2) sale of assets acquired with the revenues of the district or  
 12           from bond reserve funds or construction funds;  
 13           shall be refunded to the owners located within the district on or  
 14           before the date of the district's dissolution or expiration without  
 15           renewal.  
 16           (b) The amount of the refund provided under subsection (a) to  
 17           an owner shall be determined by applying the method the district  
 18           used under section 11 of this chapter to calculate the special  
 19           assessment in the year:  
 20           (1) in which the district was dissolved or allowed to expire  
 21           without renewal; or  
 22           (2) before the district was dissolved or allowed to expire  
 23           without renewal if a special assessment had not been levied.  
 24           However, in lieu of providing a refund, the unit's legislative body  
 25           may instead elect to spend any remaining revenues on activities  
 26           and improvements specified in the ordinance that established the  
 27           district before its dissolution or expiration without renewal.  
 28           (c) Any liabilities incurred by the district are not an obligation  
 29           of the unit and are payable solely from the collection of special  
 30           assessments deposited in the special fund under section 14 of this  
 31           chapter and other revenues of the district.  
 32           **Sec. 22. Notwithstanding any other provision of this chapter,**  
 33           **special assessments levied to pay the principal and interest on any**  
 34           **bonds issued under this chapter may not be reduced or terminated**  
 35           **if doing so would interfere with the timely retirement of the debt.**  
 36           SECTION 166. IC 36-7.5-2-10.5 IS ADDED TO THE INDIANA  
 37           CODE AS A NEW SECTION TO READ AS FOLLOWS  
 38           [EFFECTIVE FEBRUARY 28, 2026 (RETROACTIVE)]: **Sec. 10.5.**  
 39           **(a) All bonds, notes, evidences of indebtedness, leases, or other**  
 40           **written obligations issued or executed under this article by or in**  
 41           **the name of the:**  
 42           (1) Indiana finance authority;

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- 1           **(2) development authority; and**
- 2           **(3) city of Gary, the Lake County board of commissioners, or**
- 3           **the Lake County convention center authority established by**
- 4           **IC 36-7.5-7-9;**

5 **as authorized or approved by resolution or ordinance adopted by**  
 6 **the entity before February 28, 2026, are hereby legalized and**  
 7 **declared valid.**

8           **(b) Any pledge, dedication or designation of revenues,**  
 9 **conveyance, or mortgage securing the bonds, notes, evidences of**  
 10 **indebtedness, leases, or other written obligations issued or executed**  
 11 **under this article by or in the name of the:**

- 12           **(1) Indiana finance authority;**
- 13           **(2) development authority; and**
- 14           **(3) city of Gary, the Lake County board of commissioners, or**
- 15           **the Lake County convention center authority established by**
- 16           **IC 36-7.5-7-9;**

17 **as authorized or approved by resolution or ordinance adopted by**  
 18 **the entity before February 28, 2026, are hereby legalized and**  
 19 **declared valid.**

20           **(c) Any resolutions adopted, proceedings had, and actions taken**  
 21 **under this article by the:**

- 22           **(1) Indiana finance authority;**
- 23           **(2) development authority; and**
- 24           **(3) city of Gary, the Lake County board of commissioners, or**
- 25           **the Lake County convention center authority established by**
- 26           **IC 36-7.5-7-9;**

27 **before February 28, 2026, under which the bonds, notes, evidences**  
 28 **of indebtedness, leases, or other written obligations were or will be**  
 29 **issued or under which the pledge, dedication or designation of**  
 30 **revenues, conveyance, or mortgage was or will be granted are**  
 31 **hereby legalized and declared valid.**

32           **(d) An action to contest the validity of any action taken under**  
 33 **this article may not be brought after the fifteenth day following the**  
 34 **date the resolution of the:**

- 35           **(1) Indiana finance authority;**
- 36           **(2) development authority; or**
- 37           **(3) city of Gary, the Lake County board of commissioners, or**
- 38           **the Lake County convention center authority established by**
- 39           **IC 36-7.5-7-9;**

40 **is adopted approving the action taken.**

41           **(e) If an action challenging an action taken under this article is**  
 42 **not brought within the time prescribed by this section, the lease,**

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1 **contract, bonds, notes, obligations, or other action taken shall be**  
2 **conclusively presumed to be fully authorized and valid under the**  
3 **laws of the state and any person is estopped from further**  
4 **questioning the authorization, validity, execution, delivery, or**  
5 **issuance of the lease, contract, bonds, notes, obligations, or other**  
6 **action.**

7 SECTION 167. IC 36-7.5-4.5-18, AS AMENDED BY  
8 P.L.236-2023, SECTION 194, IS AMENDED TO READ AS  
9 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 18. If a district is  
10 established, the following apply to the administration and use of  
11 incremental property tax revenue by the development authority, or a  
12 redevelopment commission in the case of a district located in a cash  
13 participant county, in the district:

14 (1) ~~The department of local government finance~~ **county auditor**  
15 **shall, on forms prescribed by the department of local**  
16 **government finance, adjust the base assessed value to neutralize**  
17 **any effect of a reassessment and the annual adjustment of the real**  
18 **property in the district in the same manner as provided in**  
19 **IC 36-7-14-39(h). The county auditor shall, in the manner**  
20 **prescribed by the department of local government finance,**  
21 **submit the forms required by this subdivision to the**  
22 **department of local government finance no later than July 15**  
23 **of each year.**

24 (2) Proceeds of the property taxes approved by the voters in a  
25 referendum or local public question shall be allocated to and,  
26 when collected, paid into the funds of the taxing unit for which  
27 the referendum or local public question was conducted in the  
28 same manner as provided in IC 36-7-14-39(b)(3).

29 (3) Incremental property tax revenue may be used only for one (1)  
30 or more of the following purposes for a district:

31 (A) To finance the improvement, construction, reconstruction,  
32 renovation, and acquisition of real and personal property  
33 improvements within a district.

34 (B) To pay the principal of and interest on any obligations that  
35 are incurred for the purpose of financing or refinancing  
36 development in the district, including local public  
37 improvements that are physically located in or physically  
38 connected to the district.

39 (C) To establish, augment, or restore the debt service reserve  
40 for bonds payable solely or in part from incremental property  
41 tax revenue from the district.

42 (D) To pay premiums on the redemption before maturity of

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- 1 bonds payable solely or in part from incremental property tax
- 2 revenue from the district.
- 3 (E) To make payments on leases payable from incremental
- 4 property tax revenue from the district.
- 5 (F) To reimburse a municipality in which a district is located
- 6 for expenditures made by the municipality for local public
- 7 improvements that are physically located in or physically
- 8 connected to the district.
- 9 (G) To reimburse a municipality for rentals paid by the
- 10 municipality for a building or parking facility that is physically
- 11 located in or physically connected to the district under any
- 12 lease entered into under IC 36-1-10.
- 13 (H) To pay expenses incurred by the development authority for
- 14 local public improvements that are in the district or serving the
- 15 district.

16 SECTION 168. IC 36-7.5-6-4, AS ADDED BY P.L.195-2023,  
 17 SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 18 UPON PASSAGE]: Sec. 4. (a) The blighted property demolition fund  
 19 is established to provide grants to the city of Gary to demolish qualified  
 20 properties.

- 21 (b) The fund consists of:
- 22 (1) appropriations from the general assembly;
- 23 (2) available federal funds;
- 24 (3) transfers of money under ~~IC 4-33-13-2.5(b)(1);~~
- 25 **IC 4-33-13-5(a)(3)(B);**
- 26 (4) deposits required under section 5(a) and 5(b) of this chapter;
- 27 and
- 28 (5) gifts, grants, donations, or other contributions from any other
- 29 public or private source.
- 30 (c) The development authority shall administer the fund.
- 31 (d) The treasurer of state shall invest the money in the fund not
- 32 currently needed to meet the obligations of the fund in the same
- 33 manner as other public funds may be invested.
- 34 (e) The money remaining in the fund at the end of a state fiscal year
- 35 does not revert to the state general fund.
- 36 (f) Money in the fund is continuously appropriated for the purposes
- 37 of this chapter.

38 SECTION 169. IC 36-7.5-7-5, AS ADDED BY P.L.195-2023,  
 39 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 40 UPON PASSAGE]: Sec. 5. (a) The Lake County economic  
 41 development and convention fund is established. The fund shall be  
 42 administered by the development authority.

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- 1 (b) The convention fund consists of:
- 2 (1) deposits under ~~IC 4-33-13-2.5(b)(2)~~; **IC 4-33-13-5(a)(2)(C)**
- 3 **and IC 4-33-13-5(a)(3)(A)**;
- 4 (2) deposits under subsection (c);
- 5 (3) appropriations to the fund;
- 6 (4) gifts, grants, loans, bond proceeds, and other money received
- 7 for deposit in the fund; and
- 8 (5) other deposits or transfers of funds from local units located in
- 9 Lake County.
- 10 (c) If a proposal is approved as provided under this chapter, each
- 11 state fiscal year, beginning with the first state fiscal year that begins
- 12 after the proposal is approved, the approved entity shall deposit up to
- 13 five million dollars (\$5,000,000) in the convention fund. **The**
- 14 **obligation of the city of Gary, as the approved entity, for each state**
- 15 **fiscal year under this subsection is satisfied by the distributions**
- 16 **made by the state comptroller on behalf of the city of Gary under**
- 17 **IC 4-33-13-5(a)(2)(C). However, if the total amount distributed**
- 18 **under IC 4-33-13-5(a)(2)(C) on behalf of the city of Gary with**
- 19 **respect to a particular state fiscal year is less than the amount**
- 20 **required by this subsection, the fiscal officer of the city of Gary**
- 21 **shall transfer the amount of the shortfall to the convention fund**
- 22 **from any source of revenue available to the city of Gary other than**
- 23 **property taxes. The state comptroller shall certify the amount of**
- 24 **any shortfall to the fiscal officer of the city of Gary after making**
- 25 **the distribution required by IC 4-33-13-5(a)(2)(C) on behalf of the**
- 26 **city of Gary with respect to a particular state fiscal year.**
- 27 (d) The development authority shall administer money, including
- 28 determining amounts to be used and the specific purposes, from the
- 29 convention fund.
- 30 (e) Except as provided in section 8(d) of this chapter, the money
- 31 remaining in the convention fund at the end of a state fiscal year does
- 32 not revert to the state general fund.
- 33 (f) Money in the convention fund is continuously appropriated for
- 34 the purposes of this chapter.
- 35 (g) Subject to budget committee review, but except as provided in
- 36 subsection (i), the development authority may receive reimbursement
- 37 for expenses incurred and a reasonable and customary amount for
- 38 providing administrative services from money in the convention fund.
- 39 (h) The development authority shall quarterly report to the budget
- 40 committee on all uses of money in the convention fund and the status
- 41 of the convention and event center project.
- 42 (i) The development authority shall conduct an updated feasibility

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1 study related to a potential convention and event center located in Lake  
 2 County. The development authority shall be reimbursed for the costs  
 3 of obtaining the updated feasibility study from money in the fund.  
 4 Budget committee review is not required for reimbursement under this  
 5 subsection.

6 SECTION 170. IC 36-7.5-7-9, AS ADDED BY P.L.195-2023,  
 7 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 8 UPON PASSAGE]: Sec. 9. (a) If a proposal is approved under section  
 9 8 of this chapter, following the approval of the proposal, **and when the**  
 10 **construction of the convention and event center is substantially**  
 11 **completed so that the convention and event center can be used for**  
 12 **its intended purpose**, the Lake County convention center authority is  
 13 established for the purpose of holding an equal share of ownership of  
 14 the Lake County convention and event center with the entity whose  
 15 proposal is approved and for providing general oversight of the upkeep,  
 16 improvements, and management team as outlined in the accepted  
 17 proposal. Subject to subsection (e), the convention center authority  
 18 consists of seven (7) members, appointed as follows:

19 (1) Three (3) members appointed by the entity whose proposal is  
 20 approved under section 8 of this chapter.

21 (2) Three (3) members appointed by the Lake County board of  
 22 commissioners.

23 (3) One (1) member appointed by the governor.

24 Individuals appointed to the convention center authority must be  
 25 **Indiana residents and** have professional experience in commercial  
 26 facility management. **An appointing authority may not appoint an**  
 27 **attorney in active standing as a member of the authority.**

28 (b) The term of office for a member of the board is two (2) years.  
 29 The term begins July 1 of the year in which the member is appointed  
 30 and ends on June 30 of the second year following the member's  
 31 appointment. A member may be reappointed after the member's term  
 32 has expired.

33 (c) A vacancy in membership must be filled in the same manner as  
 34 the original appointment. Appointments made to fill a vacancy that  
 35 occurs before the expiration of a term are for the remainder of the  
 36 unexpired term.

37 (d) The member appointed under subsection (a)(3) shall serve as the  
 38 chairperson of the convention center authority. The convention center  
 39 authority shall meet at the call of the chairperson.

40 (e) An individual may not be appointed to the convention center  
 41 authority if the individual is a party to a contract or agreement with the  
 42 entity whose proposal is approved, is employed by the entity whose

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1 proposal is approved, or otherwise has a direct or indirect financial  
 2 interest in the entity whose proposal is approved under this chapter.

3 SECTION 171. IC 36-7.5-7-10, AS ADDED BY P.L.195-2023,  
 4 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 5 UPON PASSAGE]: Sec. 10. (a) A local county fund known as the Lake  
 6 County convention and event center reserve fund is established to pay  
 7 for:

- 8 (1) additions;
- 9 (2) refurbishment; and
- 10 (3) budget shortfalls or other unusual costs;

11 of a convention and event center that is constructed using money from  
 12 the convention fund under this chapter.

13 (b) The reserve fund consists of:

- 14 (1) transfers under IC 6-9-2-1.5(c); and
- 15 (2) gifts, grants, donations, or other contributions from any other  
 16 public or private source.

17 (c) **The Lake County commissioners shall administer the reserve**  
 18 **fund until the convention center authority is established.**  
 19 **Thereafter,** the convention center authority shall administer the  
 20 reserve fund.

21 SECTION 172. IC 36-7.5-8-3, AS ADDED BY P.L.195-2023,  
 22 SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 23 UPON PASSAGE]: Sec. 3. (a) The Gary Metro Center station  
 24 revitalization fund is established to provide funding for the Gary Metro  
 25 Center station revitalization project.

26 (b) The fund consists of:

- 27 (1) appropriations from the general assembly;
- 28 (2) available federal funds;
- 29 (3) transfers of money under ~~IC 4-33-13-2.5(b)(3);~~  
 30 **IC 4-33-13-5(a)(3)(C);**
- 31 (4) deposits required under section 4 of this chapter; and
- 32 (5) gifts, grants, donations, or other contributions from any other  
 33 public or private source.

34 (c) The development authority shall administer the fund.

35 (d) The money remaining in the fund at the end of a state fiscal year  
 36 does not revert to the state general fund.

37 (e) Money in the fund is continuously appropriated for the purposes  
 38 of this chapter.

39 (f) Subject to budget committee review, the development authority  
 40 may receive reimbursement for expenses incurred and a reasonable and  
 41 customary amount for providing administrative services from money  
 42 in the fund.

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1 SECTION 173. IC 36-8-11-12, AS AMENDED BY P.L.236-2023,  
 2 SECTION 197, IS AMENDED TO READ AS FOLLOWS  
 3 [EFFECTIVE JULY 1, 2026]: Sec. 12. (a) This section does not apply  
 4 to the appointment of a governing board under section 12.5 of this  
 5 chapter.

6 (b) Within thirty (30) days after the ordinance or resolution  
 7 establishing the district becomes final, the county legislative body shall  
 8 appoint a board of fire trustees. The trustees must be qualified by  
 9 knowledge and experience in matters pertaining to fire protection and  
 10 related activities in the district. A person who:

- 11 (1) is a party to a contract with the district; ~~or~~  
 12 (2) is a member, an employee, a director, or a shareholder of any  
 13 corporation or association that has a contract with the district; **or**  
 14 **(3) does not reside in the district;**

15 may not be appointed or serve as a trustee. The legislative body shall  
 16 appoint one (1) trustee from each township or part of a township  
 17 contained in the district and one (1) trustee from each municipality  
 18 contained in the district. If the number of trustees selected by this  
 19 method is an even number, the legislative body shall appoint one (1)  
 20 additional trustee so that the number of trustees is always an odd  
 21 number. If the requirements of this section do not provide at least three  
 22 (3) trustees, the legislative body shall make additional appointments so  
 23 that there is a minimum of three (3) trustees.

24 (c) The original trustees shall be appointed as follows:

- 25 (1) One (1) for a term of one (1) year.  
 26 (2) One (1) for a term of two (2) years.  
 27 (3) One (1) for a term of three (3) years.  
 28 (4) All others for a term of four (4) years.

29 The terms expire on the first Monday of January of the year their  
 30 appointments expire. As the terms expire, each new appointment is for  
 31 a term of four (4) years.

32 (d) If a vacancy occurs on the board, the county legislative body  
 33 shall appoint a trustee with the qualifications specified in subsection  
 34 (b) for the unexpired term.

35 **(e) On December 31, 2026, the term of any person serving as a**  
 36 **trustee who does not reside in the district for which the person**  
 37 **serves as a trustee is terminated. The county legislative body shall**  
 38 **make new appointments as soon as possible after December 31,**  
 39 **2026, to serve for the remainder of the unexpired term.**

40 SECTION 174. IC 36-8-19-7.5, AS AMENDED BY P.L.68-2025,  
 41 SECTION 241, IS AMENDED TO READ AS FOLLOWS  
 42 [EFFECTIVE JANUARY 1, 2025 (RETROACTIVE)]: Sec. 7.5. (a)

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1 This section applies to:  
 2 (1) local income tax distributions; and  
 3 (2) excise tax distributions;  
 4 made after December 31, 2009.  
 5 (b) Except as provided in subsection (c), for purposes of allocating  
 6 local income tax distributions that are based on a taxing unit's  
 7 allocation amount before January 1, ~~2028~~, **2029**, or that an adopting  
 8 body allocates under IC 6-3.6-6 to economic development before  
 9 January 1, ~~2028~~, **2029**, or excise tax distributions that are distributed  
 10 based on the amount of a taxing unit's property tax levies, each  
 11 participating unit in a territory is considered to have imposed a part of  
 12 the property tax levy imposed for the territory. The part of the property  
 13 tax levy imposed for the territory for a particular year that shall be  
 14 attributed to a participating unit is equal to the amount determined in  
 15 the following STEPS:  
 16 STEP ONE: Determine the total amount of all property taxes  
 17 imposed by the participating unit in the year before the year in  
 18 which a property tax levy was first imposed for the territory.  
 19 STEP TWO: Determine the sum of the STEP ONE amounts for  
 20 all participating units.  
 21 STEP THREE: Divide the STEP ONE result by the STEP TWO  
 22 result.  
 23 STEP FOUR: Multiply the STEP THREE result by the property  
 24 tax levy imposed for the territory for the particular year.  
 25 (c) This subsection applies to a determination under subsection (b)  
 26 made in calendar years 2018, 2019, and 2020. The department of local  
 27 government finance may, for distributions made in calendar year 2022,  
 28 adjust the allocation amount determined under subsection (b) to correct  
 29 for any clerical or mathematical errors made in any determination for  
 30 calendar year 2018, 2019, or 2020, as applicable, including the  
 31 allocation amount for any taxing unit whose distribution was affected  
 32 by the clerical or mathematical error in those years. The department of  
 33 local government finance may apply the adjustment to the allocation  
 34 amount for a taxing unit over a period not to exceed ten (10) years in  
 35 order to offset the effect of the adjustment on the distribution.  
 36 (d) This subsection applies to a territory established by an ordinance  
 37 or a resolution adopted under this chapter after December 31, 2024.  
 38 Before additional revenue from a local income tax rate may be  
 39 allocated to the provider unit of a new territory due to an increased  
 40 property tax levy resulting from the establishment of the territory, the  
 41 county fiscal body must adopt an ordinance or resolution approving the  
 42 allocation.

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1 SECTION 175. IC 36-8-19-8.5, AS AMENDED BY P.L.255-2017,  
2 SECTION 47, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
3 JULY 1, 2026]: Sec. 8.5. (a) Participating units may agree to establish  
4 an equipment replacement fund under this section to be used to  
5 purchase fire protection equipment, including housing, that will be  
6 used to serve the entire territory. To establish the fund, the legislative  
7 bodies of each participating unit must adopt an ordinance (in the case  
8 of a county or municipality) or a resolution (in the case of a township  
9 or fire protection district), and the following requirements must be met:

- 10 (1) The ordinance or resolution is identical to the ordinances and  
11 resolutions adopted by the other participating units under this  
12 section.
- 13 (2) Before adopting the ordinance or resolution, each participating  
14 unit must comply with the notice and hearing requirements of  
15 IC 6-1.1-41-3.
- 16 (3) The ordinance or resolution authorizes the provider unit to  
17 establish the fund.
- 18 (4) The ordinance or resolution includes at least the following:  
19 (A) The name of each participating unit and the provider unit.  
20 (B) An agreement to impose a uniform tax rate upon all of the  
21 taxable property within the territory for the equipment  
22 replacement fund.  
23 (C) The contents of the agreement to establish the fund.

24 An ordinance or a resolution adopted under this section takes effect as  
25 provided in IC 6-1.1-41.

- 26 (b) If a fund is established, the participating units may agree to:  
27 (1) impose a property tax to provide for the accumulation of  
28 money in the fund to purchase fire protection equipment;  
29 (2) incur debt to purchase fire protection equipment and impose  
30 a property tax to retire the loan; or  
31 (3) transfer an amount from the fire protection territory fund to  
32 the fire equipment replacement fund not to exceed five percent  
33 (5%) of the levy for the fire protection territory fund for that year;  
34 or any combination of these options.

35 (c) The property tax rate for the levy imposed under this section **is**  
36 **considered part of the maximum permissible ad valorem property**  
37 **tax levy and** may not exceed three and thirty-three hundredths cents  
38 (\$0.0333) per one hundred dollars (\$100) of assessed value. Before  
39 debt may be incurred, the fiscal body of a participating unit must adopt  
40 an ordinance (in the case of a county or municipality) or a resolution  
41 (in the case of a township or fire protection district) that specifies the  
42 amount and purpose of the debt. The ordinance or resolution must be

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1 identical to the other ordinances and resolutions adopted by the  
 2 participating units. Except as provided in subsection (d), if debt is to be  
 3 incurred for the purposes of a fund, the provider unit shall negotiate for  
 4 and hold the debt on behalf of the territory. However, the participating  
 5 units and the provider unit of the territory are jointly liable for any debt  
 6 incurred by the provider unit for the purposes of the fund. The most  
 7 recent adjusted value of taxable property for the entire territory must be  
 8 used to determine the debt limit under IC 36-1-15-6. A provider unit  
 9 shall comply with all general statutes and rules relating to the  
 10 incurrence of debt under this subsection.

11 (d) A participating unit of a territory may, to the extent allowed by  
 12 law, incur debt in the participating unit's own name to acquire fire  
 13 protection equipment or other property that is to be owned by the  
 14 participating unit. A participating unit that acquires fire protection  
 15 equipment or other property under this subsection may afterward enter  
 16 into an interlocal agreement under IC 36-1-7 with the provider unit to  
 17 furnish the fire protection equipment or other property to the provider  
 18 unit for the provider unit's use or benefit in accomplishing the purposes  
 19 of the territory. A participating unit shall comply with all general  
 20 statutes and rules relating to the incurrence of debt under this  
 21 subsection.

22 (e) Money in the fund may be used by the provider unit only for  
 23 those purposes set forth in the agreement among the participating units  
 24 that permits the establishment of the fund.

25 (f) The requirements and procedures specified in IC 6-1.1-41  
 26 concerning the establishment or reestablishment of a cumulative fund,  
 27 the imposing of a property tax for a cumulative fund, and the increasing  
 28 of a property tax rate for a cumulative fund apply to:

- 29 (1) the establishment or reestablishment of a fund under this
- 30 section;
- 31 (2) the imposing of a property tax for a fund under this section;
- 32 and
- 33 (3) the increasing of a property tax rate for a fund under this
- 34 section.

35 (g) Notwithstanding IC 6-1.1-18-12, if a fund established under this  
 36 section is reestablished in the manner provided in IC 6-1.1-41, the  
 37 property tax rate imposed for the fund in the first year after the fund is  
 38 reestablished may not exceed three and thirty-three hundredths cents  
 39 (\$0.0333) per one hundred dollars (\$100) of assessed value.

40 SECTION 176. IC 36-9-37-14 IS AMENDED TO READ AS  
 41 FOLLOWS [EFFECTIVE JANUARY 1, 2026 (RETROACTIVE)]:  
 42 Sec. 14. (a) **With respect to** a property owner who has secured the

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1 right to pay the property owner's assessments in deferred installments  
 2 by the filing of a waiver, ~~may~~, **the municipal works board shall**  
 3 **establish a policy to permit an owner of real property in the**  
 4 **municipality to prepay the property owner's assessment in full by**  
 5 **either of the following methods:**

6 (1) At any time after the expiration of the first year after the filing,  
 7 pay the entire balance of the assessment and be relieved of the  
 8 lien on the property owner's property. A property owner may not  
 9 pay the property owner's entire balance under this subsection  
 10 unless at the same time the property owner pays all interest due  
 11 at the next interest paying period.

12 (2) **At any time, including within the year of the filing, pay the**  
 13 **entire balance of the assessment and be relieved of the lien on**  
 14 **the property owner's property. A property owner may not**  
 15 **pay the property owner's entire balance under this subsection**  
 16 **unless at the same time the property owner pays all interest**  
 17 **due at the next interest paying period.**

18 (b) If a person who exercises the right to prepay the person's  
 19 assessment fully pays the assessment and interest, all interest and  
 20 liability as to the assessed property ceases.

21 SECTION 177. [EFFECTIVE JANUARY 1, 2024  
 22 (RETROACTIVE)] (a) **This SECTION applies notwithstanding**  
 23 **IC 6-1.1-10, IC 6-1.1-11, or any other law or administrative rule or**  
 24 **provision.**

25 (b) **This SECTION applies to assessment dates after December**  
 26 **31, 2023, and before January 1, 2026.**

27 (c) **As used in this SECTION, "eligible property" means any**  
 28 **real property:**

29 (1) **that is owned, occupied, and used by a taxpayer that:**

30 (A) **is exempt from federal income taxation under Section**  
 31 **501(c)(3) of the Internal Revenue Code; and**

32 (B) **has a mission focused on preserving Indiana**  
 33 **landmarks;**

34 (2) **that is used for one (1) or more of the purposes described**  
 35 **in IC 6-1.1-10-16;**

36 (3) **that is a parcel that:**

37 (A) **was transferred to the taxpayer before January 1,**  
 38 **2024; and**

39 (B) **is located in Vanderburgh County;**

40 (4) **on which property taxes were imposed for the 2024 and**  
 41 **2025 assessment dates; and**

42 (5) **that would have been eligible for an exemption under**

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1           **IC 6-1.1-10-16 for the 2024 and 2025 assessment dates if an**  
2           **exemption application had been properly and timely filed**  
3           **under IC 6-1.1 for the property.**  
4           **(d) Before September 1, 2026, the owner of eligible property**  
5           **may file a property tax exemption application and supporting**  
6           **documents claiming a property tax exemption under this**  
7           **SECTION for the eligible property for the 2024 and 2025**  
8           **assessment dates.**  
9           **(e) A property tax exemption application filed as provided in**  
10           **subsection (d) is considered to have been properly and timely filed**  
11           **for each assessment date.**  
12           **(f) The following apply if the owner of eligible property files a**  
13           **property tax exemption application as provided in subsection (d):**  
14           **(1) The property tax exemption for the eligible property shall**  
15           **be allowed and granted for the applicable assessment date by**  
16           **the county assessor and county auditor of the county in which**  
17           **the eligible property is located.**  
18           **(2) The owner of the eligible property is not required to pay**  
19           **any property taxes, penalties, or interest with respect to the**  
20           **eligible property for the applicable assessment date.**  
21           **(g) The exemption allowed by this SECTION shall be applied**  
22           **without the need for any further ruling or action by the county**  
23           **assessor, the county auditor, or the county property tax assessment**  
24           **board of appeals of the county in which the eligible property is**  
25           **located or by the Indiana board of tax review.**  
26           **(h) To the extent the owner of the eligible property has paid any**  
27           **property taxes, penalties, or interest with respect to the eligible**  
28           **property for an applicable date and to the extent that the eligible**  
29           **property is exempt from taxation as provided in this SECTION,**  
30           **the owner of the eligible property is entitled to a refund of the**  
31           **amounts paid. The owner is not entitled to any interest on the**  
32           **refund under IC 6-1.1 or any other law to the extent interest has**  
33           **not been paid by or on behalf of the owner. Notwithstanding the**  
34           **filing deadlines for a claim under IC 6-1.1-26, any claim for a**  
35           **refund filed by the owner of eligible property under this SECTION**  
36           **before September 1, 2026, is considered timely filed. The county**  
37           **auditor shall pay the refund due under this SECTION in one (1)**  
38           **installment.**  
39           **(i) This SECTION expires June 30, 2027.**  
40           **SECTION 178. [EFFECTIVE JANUARY 1, 2026**  
41           **(RETROACTIVE)] (a) IC 6-1.1-10.2, as added by this act, applies to**  
42           **assessment dates occurring after December 31, 2025, for property**

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1 **taxes first due and payable in 2027.**

2 **(b) This SECTION expires July 1, 2030.**

3 SECTION 179. [EFFECTIVE JANUARY 1, 2026  
4 (RETROACTIVE)] **(a) The amendments made by this act to:**

5 **(1) IC 6-1.1-12.6-2;**

6 **(2) IC 6-1.1-12.6-4;**

7 **(3) IC 6-1.1-12.6-8;**

8 **(4) IC 6-1.1-12.8-3;**

9 **(5) IC 6-1.1-12.8-4;**

10 **(6) IC 6-1.1-12.8-9; and**

11 **(7) IC 6-1.1-12.8-10;**

12 **apply to assessment dates occurring after December 31, 2025.**

13 **(b) This SECTION expires January 1, 2028.**

14 SECTION 180. [EFFECTIVE UPON PASSAGE] **(a) IC 6-3.6-6-3**  
15 **was amended by P.L.137-2024, SECTION 9, effective July 1, 2024,**  
16 **until July 1, 2027, and by P.L.68-2025, SECTION 124, effective**  
17 **July 1, 2027, and the effective date of the amendment made by**  
18 **P.L.68-2025, SECTION 124 is delayed by this act until July 1, 2028.**  
19 **The general assembly recognizes that this act amends, effective**  
20 **July 1, 2026, the version of IC 6-3.6-6-3 amended by P.L.137-2024,**  
21 **SECTION 9. The general assembly intends for the version of**  
22 **IC 6-3.6-6-3:**

23 **(1) as amended effective July 1, 2026, to expire July 1, 2028;**  
24 **and**

25 **(2) as amended by P.L.68-2025, SECTION 124, to take effect**  
26 **July 1, 2028.**

27 **(b) This SECTION expires December 31, 2028.**

28 SECTION 181. [EFFECTIVE JANUARY 1, 2026  
29 (RETROACTIVE)] **(a) IC 6-3.1-38-4 and IC 6-3.1-38-7, both as**  
30 **amended by this act, and IC 6-3.1-38-4.5, as added by this act,**  
31 **apply to taxable years beginning after December 31, 2025.**

32 **(b) This SECTION expires January 1, 2028.**

33 SECTION 182. [EFFECTIVE JANUARY 1, 2026  
34 (RETROACTIVE)] **(a) IC 6-1.1-51.3-5 and IC 6-1.1-51.3-6, both as**  
35 **added by this act, apply to property taxes imposed for assessment**  
36 **dates after December 31, 2025.**

37 **(b) This SECTION expires January 1, 2028.**

38 SECTION 183. [EFFECTIVE JANUARY 1, 2026  
39 (RETROACTIVE)] **(a) IC 6-1.1-12-14, as amended by this act,**  
40 **applies to property taxes for assessment dates after December 31,**  
41 **2025.**

42 **(b) This SECTION expires January 1, 2028.**

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1 SECTION 184. [EFFECTIVE UPON PASSAGE] (a)  
 2 Notwithstanding the effective date of the following sections  
 3 amended by P.L.68-2025 (SEA 1-2025), the effective date for these  
 4 sections is July 1, 2028, and not July 1, 2027:

5 (1) IC 5-1-14-14, as amended by P.L.68-2025 (SEA 1-2025),  
 6 SECTION 2.

7 (2) IC 5-16-9-3, as amended by P.L.68-2025 (SEA 1-2025),  
 8 SECTION 4.

9 (3) IC 6-1.1-10.3-3, as amended by P.L.68-2025 (SEA 1-2025),  
 10 SECTION 16 and as amended by this act.

11 (4) IC 6-1.1-10.3-5, as amended by P.L.68-2025 (SEA 1-2025),  
 12 SECTION 17.

13 (5) IC 6-1.1-10.3-7, as amended by P.L.68-2025 (SEA 1-2025),  
 14 SECTION 18.

15 (6) IC 6-3-2-27.5, as amended by P.L.68-2025 (SEA 1-2025),  
 16 SECTION 86.

17 (7) IC 6-3.5-4-1, as amended by P.L.68-2025 (SEA 1-2025),  
 18 SECTION 87.

19 (8) IC 6-3.5-4-1.1, as amended by P.L.68-2025 (SEA 1-2025),  
 20 SECTION 88.

21 (9) IC 6-3.5-5-1, as amended by P.L.68-2025 (SEA 1-2025),  
 22 SECTION 89.

23 (10) IC 6-3.5-5-1.1, as amended by P.L.68-2025 (SEA 1-2025),  
 24 SECTION 90.

25 (11) IC 6-3.6-1-1, as amended by P.L.68-2025 (SEA 1-2025),  
 26 SECTION 91.

27 (12) IC 6-3.6-1-1.5, as amended by P.L.68-2025 (SEA 1-2025),  
 28 SECTION 92 and as amended by this act.

29 (13) IC 6-3.6-1-3, as amended by P.L.68-2025 (SEA 1-2025),  
 30 SECTION 93 and as amended by this act.

31 (14) IC 6-3.6-1-4, as amended by P.L.68-2025 (SEA 1-2025),  
 32 SECTION 94.

33 (15) IC 6-3.6-2-5, as amended by P.L.68-2025 (SEA 1-2025),  
 34 SECTION 97.

35 (16) IC 6-3.6-3-1, as amended by P.L.68-2025 (SEA 1-2025),  
 36 SECTION 102.

37 (17) IC 6-3.6-3-3, as amended by P.L.68-2025 (SEA 1-2025),  
 38 SECTION 103 and as amended by this act.

39 (18) IC 6-3.6-3-4, as amended by P.L.68-2025 (SEA 1-2025),  
 40 SECTION 105 and as amended by this act.

41 (19) IC 6-3.6-3-5, as amended by P.L.68-2025 (SEA 1-2025),  
 42 SECTION 106 and as amended by this act.

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- 1 (20) IC 6-3.6-6-2, as amended by P.L.68-2025 (SEA 1-2025),  
2 SECTION 118 and as amended by this act.  
3 (21) IC 6-3.6-6-3, as amended by P.L.68-2025 (SEA 1-2025),  
4 SECTION 124.  
5 (22) IC 6-3.6-6-4, as amended by P.L.68-2025 (SEA 1-2025),  
6 SECTION 126 and as amended by this act.  
7 (23) IC 6-3.6-6-8, as amended by P.L.68-2025 (SEA 1-2025),  
8 SECTION 130.  
9 (24) IC 6-3.6-6-8.5, as amended by P.L.68-2025 (SEA 1-2025),  
10 SECTION 131.  
11 (25) IC 6-3.6-6-9.5, as amended by P.L.68-2025 (SEA 1-2025),  
12 SECTION 133.  
13 (26) IC 6-3.6-6-17, as amended by P.L.68-2025 (SEA 1-2025),  
14 SECTION 140.  
15 (27) IC 6-3.6-6-18, as amended by P.L.68-2025 (SEA 1-2025),  
16 SECTION 141.  
17 (28) IC 6-3.6-6-19, as amended by P.L.68-2025 (SEA 1-2025),  
18 SECTION 142.  
19 (29) IC 6-3.6-6-21, as amended by P.L.68-2025 (SEA 1-2025),  
20 SECTION 144.  
21 (30) IC 6-3.6-6-21.3, as amended by P.L.68-2025 (SEA  
22 1-2025), SECTION 146 and as amended by this act.  
23 (31) IC 6-3.6-7-9, as amended by P.L.68-2025 (SEA 1-2025),  
24 SECTION 149 and as amended by this act.  
25 (32) IC 6-3.6-7-28, as amended by P.L.68-2025 (SEA 1-2025),  
26 SECTION 150.  
27 (33) IC 6-3.6-8-4, as amended by P.L.68-2025 (SEA 1-2025),  
28 SECTION 152.  
29 (34) IC 6-3.6-9-1, as amended by P.L.68-2025 (SEA 1-2025),  
30 SECTION 154 and as amended by this act.  
31 (35) IC 6-3.6-9-4, as amended by P.L.68-2025 (SEA 1-2025),  
32 SECTION 156.  
33 (36) IC 6-3.6-9-4.1, as amended by P.L.68-2025 (SEA 1-2025),  
34 SECTION 157.  
35 (37) IC 6-3.6-9-5, as amended by P.L.68-2025 (SEA 1-2025),  
36 SECTION 158 and as amended by this act.  
37 (38) IC 6-3.6-9-6, as amended by P.L.68-2025 (SEA 1-2025),  
38 SECTION 159.  
39 (39) IC 6-3.6-9-7, as amended by P.L.68-2025 (SEA 1-2025),  
40 SECTION 160.  
41 (40) IC 6-3.6-9-9, as amended by P.L.68-2025 (SEA 1-2025),  
42 SECTION 163.

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- 1 (41) IC 6-3.6-9-10, as amended by P.L.68-2025 (SEA 1-2025),  
 2 SECTION 164 and as amended by this act.  
 3 (42) IC 6-3.6-9-11, as amended by P.L.68-2025 (SEA 1-2025),  
 4 SECTION 165.  
 5 (43) IC 6-3.6-9-12, as amended by P.L.68-2025 (SEA 1-2025),  
 6 SECTION 166 and as amended by this act.  
 7 (44) IC 6-3.6-9-13, as amended by P.L.68-2025 (SEA 1-2025),  
 8 SECTION 167 and as amended by this act.  
 9 (45) IC 6-3.6-9-16, as amended by P.L.68-2025 (SEA 1-2025),  
 10 SECTION 170.  
 11 (46) IC 6-3.6-11-3, as amended by P.L.68-2025 (SEA 1-2025),  
 12 SECTION 180 and as amended by this act.  
 13 (47) IC 6-9-10.5-8, as amended by P.L.68-2025 (SEA 1-2025),  
 14 SECTION 190.  
 15 (48) IC 8-18-22-6, as amended by P.L.68-2025 (SEA 1-2025),  
 16 SECTION 195.  
 17 (49) IC 8-22-3.5-9, as amended by P.L.68-2025 (SEA 1-2025),  
 18 SECTION 196.  
 19 (50) IC 12-20-25-34, as amended by P.L.68-2025 (SEA  
 20 1-2025), SECTION 197.  
 21 (51) IC 12-20-25-35, as amended by P.L.68-2025 (SEA  
 22 1-2025), SECTION 198.  
 23 (52) IC 36-7-14-39, as amended by P.L.68-2025 (SEA 1-2025),  
 24 SECTION 234.  
 25 (53) IC 36-7-15.1-26, as amended by P.L.68-2025 (SEA  
 26 1-2025), SECTION 235 and as amended by this act.  
 27 (54) IC 36-7-15.1-53, as amended by P.L.68-2025 (SEA  
 28 1-2025), SECTION 236 and as amended by this act.  
 29 (55) IC 36-7-30-25, as amended by P.L.68-2025 (SEA 1-2025),  
 30 SECTION 237 and as amended by this act.  
 31 (56) IC 36-7-30.5-30, as amended by P.L.68-2025 (SEA  
 32 1-2025), SECTION 238 and as amended by this act.  
 33 (57) IC 36-7.5-4-2.5, as amended by P.L.68-2025 (SEA  
 34 1-2025), SECTION 239.  
 35 (58) IC 36-8-19-8, as amended by P.L.68-2025 (SEA 1-2025),  
 36 SECTION 242.  
 37 (b) Notwithstanding the effective date of the following sections  
 38 amended by P.L.68-2025 (SEA 1-2025), the effective date for these  
 39 sections is January 1, 2029, and not January 1, 2028:  
 40 (1) IC 6-1.1-18.5-3, as amended by P.L.68-2025 (SEA 1-2025),  
 41 SECTION 60.  
 42 (2) IC 6-3.6-2-2, as amended by P.L.68-2025 (SEA 1-2025),

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- 1           **SECTION 95 and as amended by this act.**  
2           **(3) IC 6-3.6-2-13, as amended by P.L.68-2025 (SEA 1-2025),**  
3           **SECTION 100 and as amended by this act.**  
4           **(4) IC 6-3.6-2-15, as amended by P.L.68-2025 (SEA 1-2025),**  
5           **SECTION 101 and as amended by this act.**  
6           **(5) IC 6-3.6-4-1, as amended by P.L.68-2025 (SEA 1-2025),**  
7           **SECTION 113.**  
8           **(6) IC 6-3.6-4-2, as amended by P.L.68-2025 (SEA 1-2025),**  
9           **SECTION 114.**  
10          **(7) IC 6-3.6-4-3, as amended by P.L.68-2025 (SEA 1-2025),**  
11          **SECTION 115.**  
12          **(8) IC 6-3.6-8-3, as amended by P.L.68-2025 (SEA 1-2025),**  
13          **SECTION 151 and as amended by this act.**  
14          **(9) IC 6-3.6-8-5, as amended by P.L.68-2025 (SEA 1-2025),**  
15          **SECTION 153.**  
16          **(10) IC 6-3.6-10-2, as amended by P.L.68-2025 (SEA 1-2025),**  
17          **SECTION 174.**  
18          **(11) IC 6-3.6-10-3, as amended by P.L.68-2025 (SEA 1-2025),**  
19          **SECTION 175.**  
20          **(12) IC 6-3.6-10-5, as amended by P.L.68-2025 (SEA 1-2025),**  
21          **SECTION 176.**  
22          **(13) IC 6-3.6-10-6, as amended by P.L.68-2025 (SEA 1-2025),**  
23          **SECTION 177.**  
24          **(14) IC 6-3.6-11-4, as amended by P.L.68-2025 (SEA 1-2025),**  
25          **SECTION 181.**  
26          **(15) IC 6-3.6-11-5.5, as amended by P.L.68-2025 (SEA**  
27          **1-2025), SECTION 182.**  
28          **(16) IC 6-3.6-11-6, as amended by P.L.68-2025 (SEA 1-2025),**  
29          **SECTION 183.**  
30          **(17) IC 6-3.6-11-7, as amended by P.L.68-2025 (SEA 1-2025),**  
31          **SECTION 184.**  
32          **(18) IC 6-3.6-11-7.5, as amended by P.L.68-2025 (SEA**  
33          **1-2025), SECTION 185.**  
34          **(c) Notwithstanding the effective date of the following sections**  
35          **added by P.L.68-2025 (SEA 1-2025), the effective date for these**  
36          **sections is July 1, 2028, and not July 1, 2027:**  
37               **(1) IC 6-3.6-3-3.3, as added by P.L.68-2025 (SEA 1-2025),**  
38               **SECTION 104.**  
39               **(2) IC 6-3.6-5-7, as added by P.L.68-2025 (SEA 1-2025),**  
40               **SECTION 116.**  
41               **(3) IC 6-3.6-6-0.5, as added by P.L.68-2025 (SEA 1-2025),**  
42               **SECTION 117.**

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- 1 (4) IC 6-3.6-6-4.3, as added by P.L.68-2025 (SEA 1-2025),  
 2 SECTION 127 and as amended by this act.  
 3 (5) IC 6-3.6-6-4.5, as added by P.L.68-2025 (SEA 1-2025),  
 4 SECTION 128 and as amended by this act.  
 5 (6) IC 6-3.6-6-6.1, as added by P.L.68-2025 (SEA 1-2025),  
 6 SECTION 129 and as amended by this act.  
 7 (7) IC 6-3.6-6-22, as added by P.L.68-2025 (SEA 1-2025),  
 8 SECTION 147 and as amended by this act.  
 9 (8) IC 6-3.6-6-23, as added by P.L.68-2025 (SEA 1-2025),  
 10 SECTION 148 and as amended by this act.  
 11 (9) IC 6-3.6-9-1.1, as added by P.L.68-2025 (SEA 1-2025),  
 12 SECTION 155.  
 13 (10) IC 6-3.6-9-17.5, as added by P.L.68-2025 (SEA 1-2025),  
 14 SECTION 171 and as amended by this act.  
 15 (11) IC 6-3.6-9-20, as added by P.L.68-2025 (SEA 1-2025),  
 16 SECTION 172.  
 17 (12) IC 6-3.6-9-21, as added by P.L.68-2025 (SEA 1-2025),  
 18 SECTION 173 and as amended by this act.  
 19 (d) Notwithstanding the effective date of the following sections  
 20 repealed by P.L.68-2025 (SEA 1-2025), the effective date for these  
 21 sections is July 1, 2028, and not July 1, 2027:  
 22 (1) IC 6-1.1-10.3-2, as repealed by P.L.68-2025 (SEA 1-2025),  
 23 SECTION 15.  
 24 (2) IC 6-3.6-2-4, as repealed by P.L.68-2025 (SEA 1-2025),  
 25 SECTION 96.  
 26 (3) IC 6-3.6-2-12, as repealed by P.L.68-2025 (SEA 1-2025),  
 27 SECTION 99.  
 28 (4) IC 6-3.6-3-6, as repealed by P.L.68-2025 (SEA 1-2025),  
 29 SECTION 107.  
 30 (5) IC 6-3.6-3-7, as repealed by P.L.68-2025 (SEA 1-2025),  
 31 SECTION 108.  
 32 (6) IC 6-3.6-3-8, as repealed by P.L.68-2025 (SEA 1-2025),  
 33 SECTION 109.  
 34 (7) IC 6-3.6-3-9, as repealed by P.L.68-2025 (SEA 1-2025),  
 35 SECTION 110.  
 36 (8) IC 6-3.6-3-10, as repealed by P.L.68-2025 (SEA 1-2025),  
 37 SECTION 112.  
 38 (9) IC 6-3.6-6-9, as repealed by P.L.68-2025 (SEA 1-2025),  
 39 SECTION 132.  
 40 (10) IC 6-3.6-6-10, as repealed by P.L.68-2025 (SEA 1-2025),  
 41 SECTION 134.  
 42 (11) IC 6-3.6-6-11, as repealed by P.L.68-2025 (SEA 1-2025),

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- 1           **SECTION 135.**  
 2           **(12) IC 6-3.6-6-12, as repealed by P.L.68-2025 (SEA 1-2025),**  
 3           **SECTION 136.**  
 4           **(13) IC 6-3.6-6-14, as repealed by P.L.68-2025 (SEA 1-2025),**  
 5           **SECTION 137.**  
 6           **(14) IC 6-3.6-6-15, as repealed by P.L.68-2025 (SEA 1-2025),**  
 7           **SECTION 138.**  
 8           **(15) IC 6-3.6-6-16, as repealed by P.L.68-2025 (SEA 1-2025),**  
 9           **SECTION 139.**  
 10          **(16) IC 6-3.6-6-20, as repealed by P.L.68-2025 (SEA 1-2025),**  
 11          **SECTION 143.**  
 12          **(17) IC 6-3.6-6-21.2, as repealed by P.L.68-2025 (SEA 1-2025),**  
 13          **SECTION 145.**  
 14          **(18) IC 6-3.6-9-8, as repealed by P.L.68-2025 (SEA 1-2025),**  
 15          **SECTION 161.**  
 16          **(19) IC 6-3.6-9-8.5, as repealed by P.L.68-2025 (SEA 1-2025),**  
 17          **SECTION 162.**  
 18          **(20) IC 6-3.6-9-14, as repealed by P.L.68-2025 (SEA 1-2025),**  
 19          **SECTION 168.**  
 20          **(e) Notwithstanding the effective date of the following sections**  
 21          **repealed by P.L.68-2025 (SEA 1-2025), the effective date for these**  
 22          **sections is January 1, 2029, and not January 1, 2028:**  
 23               **(1) IC 6-3.6-6-2.5, as repealed by P.L.68-2025 (SEA 1-2025),**  
 24               **SECTION 119.**  
 25               **(2) IC 6-3.6-6-2.6, as repealed by P.L.68-2025 (SEA 1-2025),**  
 26               **SECTION 120.**  
 27               **(3) IC 6-3.6-6-2.7, as repealed by P.L.68-2025 (SEA 1-2025),**  
 28               **SECTION 121.**  
 29               **(4) IC 6-3.6-6-2.8, as repealed by P.L.68-2025 (SEA 1-2025),**  
 30               **SECTION 122.**  
 31               **(5) IC 6-3.6-6-2.9, as repealed by P.L.68-2025 (SEA 1-2025),**  
 32               **SECTION 123.**  
 33               **(6) IC 6-3.6-9-15, as repealed by P.L.68-2025 (SEA 1-2025),**  
 34               **SECTION 169.**  
 35               **(7) IC 6-3.6-11-1, as repealed by P.L.68-2025 (SEA 1-2025),**  
 36               **SECTION 179.**  
 37          **(f) The revisor of statutes shall print the Indiana Code to**  
 38          **incorporate the effective date changes to the sections of**  
 39          **P.L.68-2025 (SEA 1-2025) as provided in this SECTION and as**  
 40          **amended by this act.**  
 41          SECTION 185. P.L.68-2025, SECTION 246, IS REPEALED  
 42          [EFFECTIVE UPON PASSAGE]. SECTION 246. [EFFECTIVE JUNE

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30; 2027]. (a) Notwithstanding the July 1, 2027, effective date for 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 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 186. [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 187. [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**

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- 1 provision.
- 2 (b) This SECTION applies to an assessment date occurring after
- 3 December 31, 2023, and before January 1, 2026.
- 4 (c) As used in this SECTION, "eligible property" means real
- 5 property:
- 6 (1) on which property taxes were imposed for the 2024 and
- 7 2025 assessment dates; and
- 8 (2) that is identified as follows:
- 9 (A) Parcel 1017913 located at 2237 Station Street,
- 10 Indianapolis, IN, 46218.
- 11 (B) Parcel 1022147 located at 2225 North Sherman
- 12 Avenue, Indianapolis, IN, 46218.
- 13 (C) Parcel 1057962 located at 2202 North Sherman
- 14 Avenue, Indianapolis, IN, 46218.
- 15 (D) Parcel 1021121 located at 2182 North Olney Street,
- 16 Indianapolis, IN, 46218.
- 17 (E) Parcel 1003672 located at 3429 Massachusetts Avenue,
- 18 Indianapolis, IN, 46218.
- 19 (F) Parcel 1011976 located at 2178 North Olney Street,
- 20 Indianapolis, IN, 46218.
- 21 (d) As used in this SECTION, "qualified taxpayer" refers to a
- 22 nonprofit organization that owns eligible property as described
- 23 under subsection (c).
- 24 (e) A qualified taxpayer may, before September 1, 2026, file a
- 25 property tax exemption application and supporting documents
- 26 claiming a property tax exemption under IC 6-1.1-10-16 for any
- 27 assessment date described in subsection (b).
- 28 (f) A property tax exemption application filed under subsection
- 29 (e) by a qualified taxpayer is considered to have been properly and
- 30 timely filed.
- 31 (g) If a qualified taxpayer files the property tax exemption
- 32 applications under subsection (e), the following apply:
- 33 (1) The property tax exemption for the eligible property is
- 34 allowed and granted for the 2024 and 2025 assessment dates
- 35 by the county assessor and county auditor of the county in
- 36 which the eligible property is located.
- 37 (2) The qualified taxpayer is not required to pay any property
- 38 taxes, penalties, interest, or tax sale reimbursement expenses
- 39 with respect to the eligible property exempted under this
- 40 SECTION for the 2024 and 2025 assessment dates.
- 41 (3) If the eligible property was placed on the list certified
- 42 under IC 6-1.1-24-1 or IC 6-1.1-24-1.5 or was otherwise

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1 subject to a tax sale under IC 6-1.1-24 and IC 6-1.1-25  
2 because one (1) or more installments of property taxes due for  
3 the eligible property for the 2024 or 2025 assessment dates  
4 were not timely paid:

5 (A) the county auditor shall remove the eligible property  
6 from the list certified under IC 6-1.1-24-1 or  
7 IC 6-1.1-24-1.5; and

8 (B) a tax deed may not be issued under IC 6-1.1-25 for the  
9 eligible property for any tax sale of the eligible property  
10 under IC 6-1.1-24 and IC 6-1.1-25 that was held because  
11 one (1) or more installments of property taxes due for the  
12 eligible property for the 2024 or 2025 assessment dates  
13 were not timely paid.

14 (h) A taxpayer is entitled to the exemption from real property  
15 tax as claimed on a property tax exemption application filed under  
16 this SECTION, regardless of whether:

17 (1) a property tax exemption application was previously filed  
18 for the same or similar property for the assessment date;

19 (2) the county property tax assessment board of appeals has  
20 issued a final determination regarding any previously filed  
21 property tax exemption application for the assessment date;

22 (3) the taxpayer appealed any denial of a previously filed  
23 property tax exemption application for the assessment date;  
24 or

25 (4) the records of the county in which the property subject to  
26 the property tax exemption application is located identified  
27 the taxpayer as the owner of the property on the assessment  
28 date described in subsection (b) for which the property tax  
29 exemption is claimed.

30 (i) The exemption allowed by this SECTION shall be applied  
31 and considered approved without the need for any further ruling  
32 or action by the county assessor, the county auditor, or the county  
33 property tax assessment board of appeals of the county in which  
34 the eligible property is located or by the Indiana board of tax  
35 review. The exemption approval is final and may not be appealed  
36 by the county assessor, the county property tax assessment board  
37 of appeals, or any member of the county property tax assessment  
38 board of appeals.

39 (j) To the extent the qualified taxpayer has paid any property  
40 taxes, penalties, or interest with respect to the eligible property for  
41 the 2024 or 2025 assessment dates, the eligible taxpayer is entitled  
42 to a refund of the amounts paid. Notwithstanding the filing

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1        **deadlines for a claim in IC 6-1.1-26, any claim for a refund filed by**  
2        **an eligible taxpayer under this subsection before September 1,**  
3        **2026, is considered timely filed. The county auditor shall pay the**  
4        **refund due under this SECTION in one (1) installment.**

5        **(k) This SECTION expires July 1, 2027.**

6        **SECTION 188. An emergency is declared for this act.**

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