HOUSE BILL No. 1369

DIGEST OF INTRODUCED BILL

Citations Affected: IC 6-1.1; IC 36-7-32.5-15.

Synopsis: Various property tax matters. Expires various property tax exemptions allowed in current law. Provides that certain property tax abatements may not be granted after December 31, 2030. Authorizes a county fiscal body to adopt an ordinance that exempts certain homesteads owned by an individual who is at least 65 years of age from property taxation. Makes corresponding changes.

Effective: July 1, 2026; January 1, 2027.

Lucas

January 8, 2026, read first time and referred to Committee on Ways and Means.

Introduced

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

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

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

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

HOUSE BILL No. 1369

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

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

SECTION 1. IC 6-1.1-10-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 6. (a) Property which is owned by a domestic corporation of this state is exempt from property taxation if:

(1) the corporation owns a water system or waterworks;

(2) the corporation is, pursuant to a contract, supplying its entire output of water at wholesale rates to a city or town of this state; and

(3) the city or town which receives the water owns at least ninety-five percent (95%) of the corporation's capital stock.

(b) For purposes of this section, stock is preferred stock and not capital stock if:

(1) fixed dividends are payable to the stock owner at a rate not to exceed six percent (6%) per year; and

(2) the stock owner has no further right to participate in the profits of the corporation.

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

assessment date before January 1, 2027.

(d) This section expires January 1, 2028.

SECTION 2. IC 6-1.1-10-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 7. **(a)** Property is exempt from property taxation if it is owned by a non-profit corporation which is engaged in the sale and distribution of water. However, this exemption only applies if the corporation is operated on a not-for-profit basis.

(b) This section applies only to property taxes imposed for an assessment date before January 1, 2027.

(c) This section expires January 1, 2028.

SECTION 3. IC 6-1.1-10-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 8. **(a)** Property is exempt from property taxation if it is owned by a non-profit corporation which is engaged in a sewage disposal service within a rural area of this state. However, this exemption only applies if the corporation is operated on a not-for-profit basis.

(b) This section applies only to property taxes imposed for an assessment date before January 1, 2027.

(c) This section expires January 1, 2028.

SECTION 4. IC 6-1.1-10-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 9. (a) For purposes of this section, "industrial waste control facility" means personal property which is:

(1) included either as a part of or an adjunct to a privately owned manufacturing or industrial plant or coal mining operation; and

(2) used predominantly to:

(A) prevent, control, reduce, or eliminate pollution of a stream or a public body of water located within or adjoining this state by treating, pretreating, stabilizing, isolating, collecting, holding, controlling, or disposing of waste or contaminants generated by the plant; or

(B) meet state or federal reclamation standards for a coal mining operation.

The term includes personal property that is under construction or in the process of installation and that will be used for the purposes described in this subsection when placed in service. The term also includes spare parts held exclusively for installation in or as part of personal property that qualifies for the exemption under this section.

(b) An industrial waste control facility is exempt from property taxation if it is not used in the production of property for sale.

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

assessment date before January 1, 2027.

(d) This section expires January 1, 2028.

SECTION 5. IC 6-1.1-10-10, AS AMENDED BY P.L.100-2021, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 10. (a) The owner of an industrial waste control facility who wishes to obtain the exemption provided in section 9 of this chapter shall file an exemption claim along with the owner's annual personal property return. The claim shall describe and state the assessed value of the property for which an exemption is claimed.

(b) The owner must:

(1) provide a written statement attesting that the property claimed as exempt meets the requirements for the exemption under section 9 of this chapter; and

(2) file the statement along with the owner's exemption claim and annual personal property return.

(c) The township assessor (if any) or county assessor may investigate any claim and determine if the property for which the exemption is claimed is being utilized as an industrial waste control facility. The assessor may require additional documents from the property owner to support the owner's exemption claim.

(d) A determination under subsection (c) concerning an exemption claim remains in effect:

(1) as long as the owner owns the property and uses the property as an industrial waste control facility; or

(2) for five (5) years;

whichever is less. In addition, during the five (5) years after the determination, the owner of the property must notify the assessor in writing if any of the property on which the determination was based is disposed of or removed from service as an industrial waste control facility.

(e) The assessor may revoke a determination made under subsection (c) if the assessor finds that the property is not predominantly used as an industrial waste control facility.

(f) The township or county assessor shall allow or deny in whole or in part each exemption claim.

(g) The assessor shall reduce the assessed value of the owner's personal property for the year for which an exemption is claimed by the amount of exemption allowed.

(h) This section applies only to property taxes imposed for an assessment date before January 1, 2027.

(i) This section expires January 1, 2028.

SECTION 6. IC 6-1.1-10-11, AS AMENDED BY P.L.100-2021,

SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 11. **(a)** A determination concerning an exemption claim under section 10 of this chapter may be appealed by the property owner to the circuit court, superior court, or probate court of the county in which the property is located. The court shall try the appeal without a jury. Either the property owner or the township or county assessor may appeal the court's decision in the same manner that other civil cases may be appealed.

(b) This section applies only to property taxes imposed for an assessment date before January 1, 2027.

(c) This section expires January 1, 2028.

SECTION 7. IC 6-1.1-10-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 12. (a) Personal property is exempt from property taxation if:

(1) it is part of a stationary or unlicensed mobile air pollution control system of a private manufacturing, fabricating, assembling, extracting, mining, processing, generating, refining, or other industrial facility;

(2) it is not primarily used in the production of property for sale;

(3) it is employed predominantly in the operation of the air pollution control system;

(4) the air pollution control system is designed and used for the improvement of public health and welfare by the prevention or elimination of air contamination caused by industrial waste or contaminants;

(5) a sanitary treatment or elimination service for the waste or contaminants is not provided by public authorities; and

(6) it is acquired for the purpose of complying with any state, local, or federal environmental quality statutes, regulations, or standards.

(b) The property that is exempt under this section includes the following personal property:

(1) Personal property that is under construction or in the process of installation and that will be used for the purposes described in subsection (a) when placed in service.

(2) Spare parts held exclusively for installation in or as part of personal property that qualifies for the exemption under this section.

(c) This section applies only to property taxes imposed for an assessment date before January 1, 2027.

(d) This section expires January 1, 2028.

SECTION 8. IC 6-1.1-10-13, AS AMENDED BY P.L.146-2008,

SECTION 105, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 13. (a) The owner of personal property which is part of a stationary or unlicensed mobile air pollution control system who wishes to obtain the exemption provided in section 12 of this chapter shall claim the exemption on the owner's annual personal property return. On the return, the owner shall describe and state the assessed value of the property for which the exemption is claimed.

(b) The township or county assessor shall:

(1) review the exemption claim; and

(2) allow or deny it in whole or in part.

In making the decision, the township or county assessor shall consider the requirements stated in section 12 of this chapter.

(c) The township or county assessor shall reduce the assessed value of the owner's personal property for the year for which the exemption is claimed by the amount of exemption allowed.

(d) This section applies only to property taxes imposed for an assessment date before January 1, 2027.

(e) This section expires January 1, 2028.

SECTION 9. IC 6-1.1-10-14, AS AMENDED BY P.L.146-2008, SECTION 106, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 14. **(a)** The action taken by a township or county assessor on an exemption claim filed under section 10 or 13 of this chapter shall be treated as an assessment of personal property. Thus, the assessor's action is subject to all the provisions of this article pertaining to notice, review, or appeal of personal property assessments.

(b) This section applies only to property taxes imposed for an assessment date before January 1, 2027.

(c) This section expires January 1, 2028.

SECTION 10. IC 6-1.1-10-15, AS AMENDED BY P.L.104-2022, SECTION 19, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 15. (a) The acquisition and improvement of land for use by the public as an airport and the maintenance of commercial passenger aircraft is a municipal purpose regardless of whether the airport or maintenance facility is owned or operated by a municipality. The owner of any airport located in this state, who holds a valid and current public airport certificate issued by the Indiana department of transportation, may claim an exemption for only so much of the land as is reasonably necessary to and used for public airport purposes. A person maintaining commercial passenger aircraft in a county having a population of:

(1) more than two hundred fifty thousand (250,000) and less than three hundred thousand (300,000); or

(2) more than three hundred fifty thousand (350,000) and less than four hundred thousand (400,000);

may claim an exemption for commercial passenger aircraft not subject to the aircraft excise tax under IC 6-6-6.5 that is being assessed under this article, if it is located in the county only for the purposes of maintenance.

(b) The exemption provided by this section is noncumulative and applies only to property that would not otherwise be exempt. Nothing contained in this section applies to or affects any other tax exemption provided by law.

(c) As used in this section, "land used for public airport purposes" includes the following:

(1) That part of airport land used for the taking off or landing of aircraft, taxiways, runway and taxiway lighting, access roads, auto and aircraft parking areas, and all buildings providing basic facilities for the traveling public.

(2) Real property owned by the airport owner and used for airport operation and maintenance purposes, which includes the following property:

(A) Leased property that:

(i) is used for agricultural purposes; and

(ii) is located within the area that federal law and regulations of the Federal Aviation Administration restrict to activities and purposes compatible with normal airport operations.

(B) Runway protection zones.

(C) Avigation easements.

(D) Safety and transition areas, as specified in IC 8-21-10 concerning the regulation of tall structures and 14 CFR Part 77 concerning the safe, efficient use and preservation of the navigable airspace.

(E) Land purchased using funds that include grant money provided by the Federal Aviation Administration or the Indiana department of transportation.

(3) Real property used in providing for the shelter, storage, or care of aircraft, including hangars.

(4) Housing for weather and signaling equipment, navigational aids, radios, or other electronic equipment.

The term does not include land areas used solely for purposes unrelated to aviation.

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

assessment date before January 1, 2027.

(e) This section expires January 1, 2028.

SECTION 11. IC 6-1.1-10-15.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 15.5. (a) As used in this section, "airport development zone" means an airport development zone designated under IC 8-22-3.5-5.

(b) As used in this section, "allocated tax proceeds" refers to property taxes allocated under IC 8-22-3.5-9.

(c) As used in this section, "commission" has the meaning set forth in IC 8-22-3.5-2.

(d) As used in this section, "qualified airport development project" has the meaning set forth in IC 8-22-3.5-3.

(e) Before a person maintaining commercial passenger aircraft that is not subject to the aircraft excise tax under IC 6-6-6.5 may claim an exemption from property taxation for the commercial passenger aircraft, the commission must adopt a resolution authorizing the exemption for the commercial passenger aircraft.

(f) After the commission adopts a resolution described in subsection (e), a person maintaining a commercial passenger aircraft that is not subject to the aircraft excise tax under IC 6-6-6.5 may claim an exemption from property taxation for the commercial passenger aircraft if the following conditions exist when the commission adopts the resolution:

(1) The person is:

(A) a tenant or subtenant of any portion of the qualified airport development project; and

(B) a current user of all or any portion of the qualified airport development project.

(2) For purposes of maintenance, the aircraft will be located in the airport development zone.

(3) If bonds have been issued, either:

(A) the pledge of allocated tax proceeds to the payment of any bonds issued under IC 8-22-3-18.1 to finance any portion of the costs of the qualified airport development project has been discharged; or

(B) any bonds to which allocated tax proceeds were pledged have been paid in full in accordance with the documents under which the bonds were issued.

If this subdivision applies, the person may not claim the exemption for a period longer than the original term of the bonds.

(g) This section applies only to property taxes imposed for an assessment date before January 1, 2027.

(h) This section expires January 1, 2028.

SECTION 12. IC 6-1.1-10-16, AS AMENDED BY P.L.230-2025, SECTION 26, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2027]: Sec. 16. (a) All or part of a building is exempt from property taxation if it is owned, occupied, and used by a person for **kindergarten through grade 12** educational **or** ~~literary, scientific,~~ religious ~~or charitable~~ purposes.

(b) A building is exempt from property taxation if it is owned, occupied, and used by a town, city, township, or county for **kindergarten through grade 12** educational ~~literary, scientific, fraternal, or charitable~~ purposes.

(c) A tract of land, including the campus and athletic grounds of ~~an~~ **a kindergarten through grade 12** educational institution, is exempt from property taxation if:

(1) a building that is exempt under subsection (a) or (b) is situated on it; **or**

(2) a parking lot or structure that serves a building referred to in subdivision (1) is situated on it. ~~or~~

~~(3) the tract:~~

~~(A) is owned by a nonprofit entity established for the purpose of retaining and preserving land and water for their natural characteristics;~~

~~(B) does not exceed five hundred (500) acres; and~~

~~(C) is not used by the nonprofit entity to make a profit.~~

(d) A tract of land is exempt from property taxation if:

(1) it is purchased for the purpose of erecting a building that is to be owned, occupied, and used in such a manner that the building will be exempt under subsection (a) or (b); and

(2) not more than four (4) years after the property is purchased, and for each year after the four (4) year period, the owner demonstrates substantial progress and active pursuit towards the erection of the intended building and use of the tract for the exempt purpose. To establish substantial progress and active pursuit under this subdivision, the owner must prove the existence of factors such as the following:

(A) Organization of and activity by a building committee or other oversight group.

(B) Completion and filing of building plans with the appropriate local government authority.

(C) Cash reserves dedicated to the project of a sufficient amount to lead a reasonable individual to believe the actual construction can and will begin within four (4) years.

(D) The breaking of ground and the beginning of actual construction.

(E) Any other factor that would lead a reasonable individual to believe that construction of the building is an active plan and that the building is capable of being completed within eight (8) years considering the circumstances of the owner.

If the owner of the property sells, leases, or otherwise transfers a tract of land that is exempt under this subsection, the owner is liable for the property taxes that were not imposed upon the tract of land during the period beginning January 1 of the fourth year following the purchase of the property and ending on December 31 of the year of the sale, lease, or transfer. The county auditor of the county in which the tract of land is located may establish an installment plan for the repayment of taxes due under this subsection. The plan established by the county auditor may allow the repayment of the taxes over a period of years equal to the number of years for which property taxes must be repaid under this subsection.

(e) Personal property is exempt from property taxation if it is owned and used in such a manner that it would be exempt under subsection (a) or (b) if it were a building.

(f) A hospital's property that is exempt from property taxation under subsection (a), (b), or (e) shall remain exempt from property taxation even if the property is used in part to furnish goods or services to another hospital whose property qualifies for exemption under this section.

~~(g) Property owned by a shared hospital services organization that is exempt from federal income taxation under Section 501(c)(3) or 501(e) of the Internal Revenue Code is exempt from property taxation if it is owned, occupied, and used exclusively to furnish goods or services to a hospital whose property is exempt from property taxation under subsection (a), (b), or (e).~~

~~(h) This section does not exempt from property tax an office or a practice of a physician or group of physicians that is owned by a hospital licensed under IC 16-21-2 or other property that is not substantially related to or supportive of the inpatient facility of the hospital unless the office, practice, or other property:~~

~~(1) provides or supports the provision of charity care (as defined in IC 16-18-2-52.5), including providing funds or other financial support for health care services for individuals who are indigent (as defined in IC 16-18-2-52.5(b) and IC 16-18-2-52.5(c)); or~~

~~(2) provides or supports the provision of community benefits (as defined in IC 16-21-9-1), including research, education, or~~

~~government sponsored indigent health care (as defined in IC 16-21-9-2).~~

~~However, participation in the Medicaid or Medicare program alone does not entitle an office, practice, or other property described in this subsection to an exemption under this section.~~

~~(i) A tract of land or a tract of land plus all or part of a structure on the land is exempt from property taxation if:~~

~~(1) the tract is acquired for the purpose of erecting, renovating, or improving a single family residential structure that is to be given away or sold:~~

~~(A) in a charitable manner;~~

~~(B) by a nonprofit organization; and~~

~~(C) to low income individuals who will:~~

~~(i) use the land as a family residence; and~~

~~(ii) not have an exemption for the land under this section;~~

~~(2) the tract does not exceed three (3) acres; and~~

~~(3) the tract of land or the tract of land plus all or part of a structure on the land is not used for profit while exempt under this section.~~

~~(j) An exemption under subsection (i) terminates when the property is conveyed by the nonprofit organization to another owner.~~

~~(k) When property that is exempt in any year under subsection (i) is conveyed to another owner, the nonprofit organization receiving the exemption must file a certified statement with the auditor of the county, notifying the auditor of the change not later than sixty (60) days after the date of the conveyance. The county auditor shall immediately forward a copy of the certified statement to the county assessor. A nonprofit organization that fails to file the statement required by this subsection is liable for the amount of property taxes due on the property conveyed if it were not for the exemption allowed under this chapter.~~

~~(l) If property is granted an exemption in any year under subsection (i) and the owner:~~

~~(1) fails to transfer the tangible property within eight (8) years after the assessment date for which the exemption is initially granted; or~~

~~(2) transfers the tangible property to a person who:~~

~~(A) is not a low income individual; or~~

~~(B) does not use the transferred property as a residence for at least one (1) year after the property is transferred;~~

~~the person receiving the exemption shall notify the county recorder and the county auditor of the county in which the property is located not~~

~~later than sixty (60) days after the event described in subdivision (1) or (2) occurs. The county auditor shall immediately inform the county assessor of a notification received under this subsection.~~

~~(m) If subsection (l)(1) or (l)(2) applies, the owner shall pay, not later than the date that the next installment of property taxes is due, an amount equal to the sum of the following:~~

~~(1) The total property taxes that, if it were not for the exemption under subsection (i), would have been levied on the property in each year in which an exemption was allowed.~~

~~(2) Interest on the property taxes at the rate of ten percent (10%) per year.~~

~~(n) The liability imposed by subsection (m) is a lien upon the property receiving the exemption under subsection (i). An amount collected under subsection (m) shall be collected as an excess levy. If the amount is not paid, it shall be collected in the same manner that delinquent taxes on real property are collected.~~

~~(o)~~ **(g)** Property referred to in this section shall be assessed to the extent required under IC 6-1.1-11-9.

~~(p) This subsection applies to assessment dates occurring before January 1, 2026. A for-profit provider of early childhood education services to children who are at least four (4) but less than six (6) years of age on the annual assessment date may receive the exemption provided by this section for property used for educational purposes only if all the requirements of section 46 of this chapter are satisfied. A for-profit provider of early childhood education services that provides the services only to children younger than four (4) years of age may not receive the exemption provided by this section for property used for educational purposes.~~

~~(q) This subsection applies to assessment dates occurring after December 31, 2025. Property used by a for-profit provider of early childhood education services to children who are less than six (6) years of age on the annual assessment date may receive the exemption provided by this section for property used for educational purposes only if all the requirements of section 46 of this chapter are satisfied.~~

~~(r) This subsection applies only to property taxes that are first due and payable in calendar years 2025 and 2026. All or part of a building is deemed to serve a charitable purpose and is exempt from property taxation if it is owned by a nonprofit entity that is:~~

~~(1) registered as a continuing care retirement community under IC 23-2-4 and charges an entry fee of not more than five hundred thousand dollars ($500,000) per unit;~~

~~(2) defined as a small house health facility under~~

~~IC 16-18-2-331.9;~~
~~(3) licensed as a health care or residential care facility under IC 16-28; or~~
~~(4) licensed under IC 31-27 and designated as a qualified residential treatment provider that provides services under a contract with the department of child services.~~

~~This subsection expires January 1, 2027.~~

SECTION 13. IC 6-1.1-10-16.5, AS AMENDED BY P.L.104-2022, SECTION 20, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 16.5. (a) This section applies to real property located in either of the following:

(1) A county having a population of more than twenty thousand (20,000) and less than twenty thousand four hundred (20,400).
(2) A county having a population of more than twenty-four thousand six hundred (24,600) and less than twenty-five thousand (25,000).

(b) A tract of real property owned by a nonprofit public benefit corporation (as defined in IC 23-17-2-23) is exempt from property taxation if all of the following apply:

(1) The tract is located:
(A) under a lake or reservoir; or
(B) adjacent to a lake or reservoir.
(2) The lake or reservoir under which or adjacent to which the tract is located was formed by a dam or control structure owned and operated by a public utility for the generation of hydroelectric power.
(3) The public benefit corporation that owns the tract is exempt from federal income taxation under Section 501(c)(3) of the Internal Revenue Code and has maintained its tax exempt status for the previous three (3) years.
(4) The public benefit corporation that owns the tract is primarily engaged in active efforts to protect and enhance the environment and water quality of the lake or reservoir under which or adjacent to which the tract is located in order to facilitate the public recreational use of the lake or reservoir.

(c) A tract of real property owned by a nonprofit public benefit corporation described in subsection (b) is exempt from property taxation if the tract is used by the public benefit corporation in the public benefit corporation's efforts to enhance the environment and water quality of a lake or reservoir described in subsection (b).

(d) This section applies only to property taxes imposed for an assessment date before January 1, 2027.

(e) This section expires January 1, 2028.

SECTION 14. IC 6-1.1-10-16.7, AS AMENDED BY P.L.74-2021, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 16.7. (a) Except as otherwise provided in this section, for assessment dates after December 31, 2021, all or part of real property is exempt from property taxation if:

(1) the improvements on the real property were constructed, rehabilitated, or acquired for the purpose of providing housing to income eligible persons under the federal low income housing tax credit program under 26 U.S.C. 42;

(2) the real property is subject to an extended use agreement under 26 U.S.C. 42 as administered by the Indiana housing and community development authority; and

(3) the owner of the property has entered into an agreement to make payments in lieu of taxes under IC 36-1-8-14.2 (before its expiration), IC 36-2-6-22 (before its expiration), IC 36-3-2-11 (before its expiration), IC 36-1-8-14.3, IC 36-2-6-23, or IC 36-3-2-12.

(b) This section may not be construed in such a way as to:

(1) alter the terms of an agreement with the holders of any outstanding notes, bonds, or other obligations of an issuing body;

(2) authorize the issuing body to alter the terms of an agreement described in subdivision (1); or

(3) impair, or authorize the issuing body to impair, the rights and remedies of any creditor of the issuing body.

(c) This section applies only to property taxes imposed for an assessment date before January 1, 2027.

(d) This section expires January 1, 2028.

SECTION 15. IC 6-1.1-10-16.8, AS ADDED BY P.L.249-2015, SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 16.8. (a) This section applies to a dwelling or other building that is situated in a special flood hazard area as designated by the Federal Emergency Management Agency in which the mandatory purchase of flood insurance applies.

(b) The basement of a dwelling or other building described in subsection (a) is exempt from property taxation if:

(1) the basement floor level has been elevated to mitigate the risk of flooding; and

(2) as a result, the basement is rendered unusable as living space.

(c) This section applies only to property taxes imposed for an assessment date before January 1, 2027.

(d) This section expires January 1, 2028.

SECTION 16. IC 6-1.1-10-17 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 17. **(a)** Tangible property is exempt from property taxation if it is owned by a corporation which is organized and operated under IC 10-18-7 for the purpose of perpetuating the memory of soldiers and sailors.

(b) This section applies only to property taxes imposed for an assessment date before January 1, 2027.

(c) This section expires January 1, 2028.

SECTION 17. IC 6-1.1-10-18 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 18. (a) Tangible property is exempt from property taxation if it is owned by an Indiana not-for-profit corporation which is organized and operated for the primary purpose of coordinating, promoting, encouraging, housing, or providing financial support to activities in the field of fine arts.

(b) For purposes of this section, the field of fine arts includes, but is not limited to, the following art forms:

(1) classical, semi-classical, or modern instrumental and vocal music;
(2) classical dance, including ballet, modern adaptations of formal dance, and ethnic dance;
(3) painting, drawing, and the graphic arts;
(4) sculpture;
(5) architecture;
(6) drama and musical theater.

(c) This section applies only to property taxes imposed for an assessment date before January 1, 2027.

(d) This section expires January 1, 2028.

SECTION 18. IC 6-1.1-10-18.5, AS AMENDED BY P.L.230-2025, SECTION 27, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 18.5. (a) This section does not exempt from property tax an office or a practice of a physician or group of physicians that is owned by a hospital licensed under IC 16-21-2 or other property that is not substantially related to or supportive of the inpatient facility of the hospital unless the office, practice, or other property:

(1) provides or supports the provision of charity care (as defined in IC 16-18-2-52.5), including funds or other financial support for health care services for individuals who are indigent (as defined in IC 16-18-2-52.5(b) and IC 16-18-2-52.5(c)); or
(2) provides or supports the provision of community benefits (as defined in IC 16-21-9-1), including research, education, or government sponsored indigent health care (as defined in

IC 16-21-9-2).

However, participation in the Medicaid or Medicare program, alone, does not entitle an office, a practice, or other property described in this subsection to an exemption under this section.

(b) Tangible property is exempt from property taxation if it is:

(1) owned by an Indiana nonprofit corporation; and

(2) used by an Indiana nonprofit corporation in the operation of a hospital licensed under IC 16-21, a health facility licensed under IC 16-28, a residential care facility for the aged and licensed under IC 16-28, or a Christian Science home or sanatorium.

(c) This subsection applies only to property taxes first due and payable in calendar years 2025 and 2026. Tangible property that is not otherwise exempt from property taxation under subsection (b) is exempt from property taxation if it is:

(1) owned by an Indiana nonprofit corporation; and

(2) used by an Indiana nonprofit corporation in the operation of a continuing care retirement community under IC 23-2-4 that charges an entry fee of not more than five hundred thousand dollars ($500,000) per unit as described in section 16(r)(1) of this chapter, a small house health facility under IC 16-18-2-331.9, or a qualified residential treatment provider listed in section 16(r)(4) of this chapter.

This subsection expires January 1, 2027.

(d) Property referred to in this section shall be assessed to the extent required under IC 6-1.1-11-9.

(e) This section applies only to property taxes imposed for an assessment date before January 1, 2027.

(f) This section expires January 1, 2028.

SECTION 19. IC 6-1.1-10-19 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 19. **(a)** Tangible property is exempt from property taxation if it is:

(1) owned by a corporation which has established a public library under Indiana law; and

(2) used exclusively for public library purposes.

(b) This section applies only to property taxes imposed for an assessment date before January 1, 2027.

(c) This section expires January 1, 2028.

SECTION 20. IC 6-1.1-10-20 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 20. **(a)** Tangible property is exempt from property taxation if it is:

(1) owned by a manual labor school, a technical high school, a trade school, or a college which is incorporated within this state;

and

(2) used, and in the case of real property actually occupied, for the purpose for which the institution is incorporated.

However, the institution's real property which is exempt from taxation under this section may not exceed eight hundred (800) acres in any one (1) county of this state.

(b) This section applies only to property taxes imposed for an assessment date before January 1, 2027.

(c) This section expires January 1, 2028.

SECTION 21. IC 6-1.1-10-22 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 22. **(a)** A tract of land, not exceeding one (1) acre, and the improvements situated on the land are exempt from property taxation if they are:

(1) owned by a church; and

(2) exclusively used by the church as a dormitory for the students of a college or university which is located within this state.

(b) This section applies only to property taxes imposed for an assessment date before January 1, 2027.

(c) This section expires January 1, 2028.

SECTION 22. IC 6-1.1-10-23 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 23. (a) Subject to the limitations contained in subsection (b), ~~of this section,~~ tangible property is exempt from property taxation if it is owned by a fraternal beneficiary association which is incorporated, organized, or licensed under the laws of this state.

(b) This exemption does not apply to real property unless it is actually occupied and exclusively used by the association in carrying out the purpose for which it was incorporated, organized, or licensed.

(c) This section applies only to property taxes imposed for an assessment date before January 1, 2027.

(d) This section expires January 1, 2028.

SECTION 23. IC 6-1.1-10-24, AS AMENDED BY P.L.173-2011, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 24. (a) Subject to the limitations contained in subsection (b), ~~of this section,~~ the following tangible property is exempt from property taxation if it is owned by a fraternity or sorority that is exempt from federal income taxation under Section 501(c)(2), Section 501(c)(3), or Section 501(c)(7) of the Internal Revenue Code:

(1) A tract of land.

(2) The improvements situated on the tract of land. ~~and~~

(3) All personal property.

(b) This exemption does not apply unless:

(1) the fraternity or sorority is connected with or related to, and under the supervision of, a college, university, or other educational institution; or

(2) the property is used by the fraternity or sorority to carry out its purpose, including as an international, national, state, or local headquarters or to support the administrative, executive, or other functions associated with the operation of a fraternity or sorority.

(c) For purposes of this section, "fraternity or sorority" includes:

(1) a fraternity or sorority that is connected with or related to, and under the supervision of, a college, university, or other educational institution;

(2) an international, national, state, or local fraternity or sorority that administers, coordinates, operates, or governs fraternity or sorority chapters, units, divisions, or other groups or group members that are connected with or related to, and under the supervision of, a college, university, or other educational institution;

(3) a foundation related to a fraternity or sorority; or

(4) a housing corporation or similar entity related to a fraternity or sorority.

(d) To qualify for the exemption allowed by this section, the property may be owned, occupied, or used by more than one (1) fraternity or sorority, as long as the property is used to carry out the purposes of fraternities or sororities.

(e) This section applies only to property taxes imposed for an assessment date before January 1, 2027.

(f) This section expires January 1, 2028.

SECTION 24. IC 6-1.1-10-25, AS AMENDED BY P.L.79-2014, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2027]: Sec. 25. (a) Subject to the limitations contained in subsection (b) of this section, tangible property is exempt from property taxation if it is owned by any of the following organizations:

(1) The Young Men's Christian Association.

(2) The Salvation Army, Inc.

(3) The Knights of Columbus.

(4) The Young Men's Hebrew Association.

(5) The Young Women's Christian Association.

(6) A chapter or post of Disabled American Veterans of World War I or II.

(7) A chapter or post of the Veterans of Foreign Wars.

(8) A post of the American Legion.

(9) A post of the American War Veterans.

(10) The Boy Scouts of America, one (1) or more of its incorporated local councils, or a bank or trust company in trust for the benefit of one (1) or more of its local councils.

(11) The Girl Scouts of the U.S.A., one or more of its incorporated local councils, or a bank or trust company in trust for the benefit of one (1) or more of its local councils.

(b) This exemption does not apply unless the property is exclusively used, and in the case of real property actually occupied, for the purposes and objectives of the organization.

(c) This section applies only to property taxes imposed for an assessment date before January 1, 2027.

(d) This section expires January 1, 2028.

SECTION 25. IC 6-1.1-10-26, AS AMENDED BY P.L.86-2018, SECTION 40, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 26. (a) Subject to the limitations contained in subsection (b), the following tangible property is exempt from property taxation if it is owned by a county or district agricultural association of this state:

(1) A tract of land not exceeding eighty (80) acres.

(2) The improvements situated on the tract of land.

(b) This exemption does not apply unless:

(1) the association is organized under IC 15-14-3-1; and

(2) the property is exclusively used and occupied for the purposes specified in IC 15-14-3-1.

(c) This section applies only to property taxes imposed for an assessment date before January 1, 2027.

(d) This section expires January 1, 2028.

SECTION 26. IC 6-1.1-10-26.5, AS ADDED BY P.L.148-2015, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 26.5. (a) This section applies to an assessment date occurring after December 31, 2010.

(b) The following tangible property is exempt from property taxation if the tangible property is owned by an agricultural organization that is exempt from federal income taxation under Section 501(c)(5) of the Internal Revenue Code:

(1) A tract of land of not more than one hundred forty (140) acres on which a county fair has been conducted for at least fifty (50) years.

(2) The improvements situated on the tract of land.

(3) The personal property located on the tract of land and used for the exempt purposes of the agricultural organization.

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

assessment date before January 1, 2027.

(d) This section expires January 1, 2028.

SECTION 27. IC 6-1.1-10-27, AS AMENDED BY P.L.236-2023, SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 27. (a) Subject to the limitations contained in subsections (b) and (c), the following tangible property is exempt from property taxation if it is owned by a cemetery corporation, firm, not-for-profit corporation, or association which is organized under the laws of this state, a church, or a religious society:

(1) The real property, including mausoleums and other structures in which human remains are buried or interred but not including crematories, funeral homes, offices, or maintenance structures. However, crematories, funeral homes, offices, and maintenance structures are exempt if they are owned by, or held in trust for the use of, a church or religious society, or if they are owned by a not-for-profit corporation or association.

(2) The personal property which is used exclusively in the establishment, operation, administration, preservation, repair, or maintenance of the cemetery, funeral home, or crematory.

(b) The exemption under subsection (a) does not apply to real property unless:

(1) it has been dedicated or platted for cemetery, crematory, or funeral home use, or a variance has been granted for one (1) or more of those uses;

(2) a plat of it or variance from the plat has been recorded in the county in which the property is located; and

(3) it is exclusively used for cemetery, burial, crematory, or funeral purposes.

(c) The exemption under subsection (a) does not apply to personal property unless it is used exclusively for cemetery, funeral home, or crematory purposes and:

(1) it is owned by, or held in trust for the use of, a church or religious society; or

(2) it is owned by a not-for-profit corporation or association.

(d) This section applies only to property taxes imposed for an assessment date before January 1, 2027.

(e) This section expires January 1, 2028.

SECTION 28. IC 6-1.1-10-28 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 28. **(a)** A building and the land on which the building is located are exempt from property taxation if:

(1) the building is used for the purpose of gratuitously dispensing

medicines and medical advice and aid to people; and
(2) the real property is owned by a corporation, institution, or association which exists exclusively for that charitable purpose.

(b) This section applies only to property taxes imposed for an assessment date before January 1, 2027.

(c) This section expires January 1, 2028.

SECTION 29. IC 6-1.1-10-32 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2027]: Sec. 32. Tangible property is exempt from property taxation if it:

(1) is under the control of an executor;
(2) is to pass, under the terms of a will, to a municipal corporation or to a ~~literary, scientific, benevolent,~~ religious ~~or charitable~~ institution; and
(3) would be exempt from property taxation if it had already been distributed to the devisee or legatee.

SECTION 30. IC 6-1.1-10-33 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2027]: Sec. 33. (a) Tangible property which is under the control of an executor or a trustee is exempt from property taxation if it is to be used and applied:

(1) within this state for a ~~municipal,~~ **kindergarten through grade 12** educational **or** ~~literary, scientific,~~ religious ~~or charitable~~ purpose; or
(2) for the benefit of this state or a state institution.

(b) Subsection (a) does not apply unless the executor or trustee diligently and in good faith carries out the provisions of the will or trust agreement by using and applying the property for the intended purpose.

SECTION 31. IC 6-1.1-10-37.5, AS ADDED BY P.L.148-2015, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 37.5. (a) As used in this section, "common area" means a parcel of land, including improvements, in a residential development that:

(1) is legally reserved for the exclusive use and enjoyment of all lot owners, occupants, and their guests, regardless of whether a lot owner makes actual use of the land;
(2) is owned by:
(A) the developer, or the developer's assignee, provided such ownership is in a fiduciary capacity for the exclusive benefit of all lot owners in the residential development, and the developer has relinquished all rights to transfer the property other than to a person or entity that will hold title to the property in a fiduciary capacity for the exclusive benefit of all lot owners;

(B) each lot owner within the residential development, equally or pro rata; or
(C) a person, trust, or entity that holds title to the land for the benefit of all lot owners within the residential development;
(3) cannot be transferred for value to another party without the affirmative approval of:
(A) all lot owners within the residential development; or
(B) not less than a majority of all lot owners within the residential development, if majority approval is permitted under the bylaws or other governing documents of a homeowners association, or similar entity;
(4) does not include a Class 2 structure (as defined in IC 22-12-1-5); and
(5) is not designed or approved for the construction of a Class 2 structure.

The term includes, but is not limited to, a lake, pond, street, sidewalk, park, green area, trail, wetlands, signage, swimming pool, clubhouse, or other features or amenities that benefit all lot owners within the residential development.

(b) As used in this section, "lot owner" means an individual or entity that is the owner of record of a lot, parcel, tract, unit, or interest within a residential development, upon which a Class 2 structure (as defined in IC 22-12-1-5) is or will be constructed.

(c) As used in this section, "residential development" means a parcel of land that is subdivided into lots, parcels, tracts, units, or interests:
(1) all of which, except for a common area, include an existing Class 2 structure (as defined in IC 22-12-1-5), or are designated for the construction of a Class 2 structure; and
(2) each of which is encumbered by substantively identical restrictive covenants concerning one (1) or more servient estates located within the boundaries of the original undivided parcel, or other governing document of record.

(d) Notwithstanding any other provision of this article, a common area is exempt from property taxation, provided that the common area easements and covenants restricting the use and conveyance of common areas to lot owners are recorded, and notice is provided, to the appropriate county or township assessor.

(e) A county or township assessor shall designate an area as a common area after:
(1) receiving notice as provided in subsection (d); and
(2) determining that the area is a common area.

(f) If a county or township assessor determines that the area is not a common area, or determines that the area fails to meet the requirements of subsection (d), then the county or township assessor shall send a written statement to the owner of the common area not later than thirty (30) days after receiving the notice under subsection (d). The written statement shall contain:

(1) the specific provisions on which the county or township assessor based the determination; and

(2) a statement that the owner of the common area shall have thirty (30) days to address the specific provisions provided in subdivision (1), and to establish the area as a common area that meets the requirements of subsection (d).

(g) If a county or township assessor fails to send a written statement to the owner of a common area as required by this section, then the area for which notice was provided in subsection (d) shall be considered a common area for purposes of this section.

(h) Once an area has been designated a common area, no subsequent refiling of a common area property tax exemption is required unless an area designated as a common area subsequently fails to meet the definition of a common area as provided in this section.

(i) A common area may be created at any time during or after a residential development is created. For purposes of the exemption under this section, a common area may be created or expanded after the initial approval of the residential development only if that creation or expansion of the common area:

(1) is approved by:

(A) all lot owners within the residential development; or

(B) not less than a majority of all lot owners within the residential development, if majority approval is permitted under the bylaws or other governing documents of a homeowners association, or similar entity; and

(2) receives any approvals required by the county or municipality in which the common area is located.

(j) An owner of an area may obtain review by the county property tax assessment board of appeals of a county or township assessor's determination under subsection (f).

(k) This section applies only to property taxes imposed for an assessment date before January 1, 2027.

(l) This section expires January 1, 2028.

SECTION 32. IC 6-1.1-10-37.8, AS ADDED BY P.L.203-2016, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 37.8. **(a)** For assessment dates after December 31, 2015, **and before January 1, 2027,** tangible personal property is exempt from property taxation if that tangible personal property:

(1) is owned by a homeowners association (as defined in IC 32-25.5-2-4); and

(2) is held by the homeowners association for the use, benefit, or enjoyment of members of the homeowners association.

(b) This section expires January 1, 2028.

SECTION 33. IC 6-1.1-10-39 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 39. **(a)** Intangible personal property, including the following, is exempt from taxation under this article:

(1) A promissory note.

(2) A share of stock in a foreign corporation.

(3) A bond.

(4) A debenture.

(5) A postal savings certificate.

(6) Equity in a brokerage or trading account.

(7) A deposit of money.

(8) A loan account.

(9) A debt instrument with interest coupons.

(10) A registered corporate security evidencing a debt.

(11) A written instrument or certificate evidencing a debt, including a mortgage, a chattel mortgage, a bill of sale, and a conditional sales contract.

(12) A written instrument securing an unwritten debt.

(13) A written instrument evidencing an exchange of property when the ultimate transfer of title is intended.

(14) A written contract for payment of money.

(15) An instrument bearing interest for the benefit of the holder of that instrument or the holder of another instrument.

(b) This section applies only to property taxes imposed for an assessment date before January 1, 2027.

(c) This section expires January 1, 2028.

SECTION 34. IC 6-1.1-10-42, AS AMENDED BY P.L.4-2005, SECTION 35, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 42. (a) A corporation that: ~~is:~~

(1) **is** nonprofit; and

(2) participates in the small business incubator program under IC 5-28-21;

is exempt from property taxation to the extent of tangible property used for small business incubation.

(b) A corporation that wishes to obtain an exemption from property taxation under this section must file an exemption application under

IC 6-1.1-11.

(c) This section applies only to property taxes imposed for an assessment date before January 1, 2027.

(d) This section expires January 1, 2028.

SECTION 35. IC 6-1.1-10-44, AS AMENDED BY P.L.256-2019, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 44. (a) As used in this section, "designating body" means the fiscal body of:

(1) a county that does not contain a consolidated city; or

(2) a municipality.

(b) As used in this section, "eligible business" means an entity that meets the following requirements:

(1) The entity is engaged in a business that:

(A) operates; or

(B) leases qualified property for use in;

one (1) or more facilities or data centers dedicated to computing, networking, or data storage activities.

(2) The entity's qualified property is located at a facility or data center in Indiana.

(3) The entity, the lessor of qualified property (if the entity is a lessee), and all lessees of qualified property invest in the aggregate at least twenty-five million dollars ($25,000,000) in real and personal property at the facility or data center after June 30, 2012.

(4) The average wage of employees who are located in the county or municipality and engaged in the operation of the facility or data center is at least one hundred twenty-five percent (125%) of the county average wage for the county in which the facility or data center operates.

(c) As used in this section, "enterprise information technology equipment" means the following:

(1) Hardware supporting computing, networking, or data storage functions, including servers and routers.

(2) Networking systems having an industry designation as equipment within the "enterprise" or "data center" class of networking systems that support the computing, networking, or data storage functions.

(3) Generators and other equipment used to ensure an uninterrupted power supply to equipment described in subdivision (1) or (2).

The term does not include computer hardware designed for single user, workstation, or departmental level use.

(d) As used in this section, "fiscal body" has the meaning set forth in IC 36-1-2-6.

(e) As used in this section, "municipality" has the meaning set forth in IC 36-1-2-11.

(f) As used in this section, "qualified property" means enterprise information technology equipment purchased after June 30, 2012, and any additions to or replacements to such property.

(g) **Before July 1, 2026,** a designating body may enter into an agreement with an eligible business to grant the eligible business a property tax exemption. In the case of a county, the exemption applies only to qualified property that is located in unincorporated territory of the county. In the case of a municipality, the exemption applies only to qualified property that is located in the municipality. The property tax exemption applies to the qualified property only if the designating body and the eligible business enter into an agreement concerning the property tax exemption. The agreement must specify the duration of the property tax exemption. The agreement may specify that if the ownership of qualified property is transferred by an eligible business, the transferee is entitled to the property tax exemption on the same terms as the transferor. If a designating body enters into an agreement with an eligible business, the qualified property owned by the eligible business is exempt from property taxation as provided in the resolution and the agreement.

(h) If a designating body enters into an agreement under subsection (g) to provide a property tax exemption, the property tax exemption continues for the period specified in the agreement. **The property tax exemption may not be extended beyond the period specified in the initial agreement.**

SECTION 36. IC 6-1.1-10-46, AS AMENDED BY P.L.230-2025, SECTION 29, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 46. **(a)** Tangible property owned, occupied, or used by a for-profit provider of early childhood education services to children who are less than six (6) years of age is exempt from property taxation under section 16 of this chapter only if all the following requirements are satisfied:

(1) The provider, or a parent company, subsidiary, or affiliate company of the provider, is the property owner.

(2) The provider predominantly occupies and uses the tangible property for providing early childhood education services to children who are less than six (6) years of age.

(3) The provider meets the standards of quality recognized by a Level 3 or Level 4 Paths to QUALITY program rating under

IC 12-17.2-2-14.2 or has a comparable rating from a nationally recognized accrediting body.

(4) The provider offers age appropriate curriculum for all children who are less than six (6) years of age, including infants, who attend the child care facility. The curriculum offered must include reading to the children.

However, the exemption provided by this section does not apply to tangible property that has been granted a homestead standard deduction under IC 6-1.1-12-37.

(b) This section applies only to property taxes imposed for an assessment date before January 1, 2027.

(c) This section expires January 1, 2028.

SECTION 37. IC 6-1.1-10-47, AS ADDED BY P.L.255-2017, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 47. (a) This section applies to an assessment date occurring after December 31, 2017.

(b) Tangible property owned by a nonprofit corporation is exempt from property taxation if the following apply:

(1) The owner is an organization exempt from taxation under Section 501(c)(3) of the Internal Revenue Code.

(2) The owner is:

(A) a federally-qualified health center (as defined in 42 U.S.C. 1396d(l)(2)(B)); and

(B) a primary medical provider that:

(i) accepts all patients and provides care regardless of a patient's ability to pay;

(ii) is located in a geographically medically underserved area; and

(iii) has received a grant at any time from the Indiana health care trust account under IC 4-12-5.

(3) The owner was granted an exemption under section 16 of this chapter for a comparable facility located in a contiguous county.

(4) The owner applied for an exemption under section 16 of this chapter for a previous assessment date and was denied.

(c) The property that is exempt under this section also includes the following:

(1) Property used in providing storage or parking.

(2) Any part of the property that is leased or rented by the owner to another nonprofit corporation providing services or assistance to participants in the Special Supplemental Nutrition Program for the Women, Infants, and Children Nutrition Program (WIC) under IC 16-35-1.5.

(d) If property is exempt under subsection (b) and part of the property is used by a for-profit enterprise, the exemption under subsection (b) is reduced proportionately.

(e) This section applies only to property taxes imposed for an assessment date before January 1, 2027.

(f) This section expires January 1, 2028.

SECTION 38. IC 6-1.1-10-48, AS AMENDED BY P.L.165-2021, SECTION 66, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 48. (a) This section applies to assessment dates occurring after December 31, 2016, **and before January 1, 2027.**

(b) Tangible property is exempt from property taxation if:

(1) it is owned by an Indiana nonprofit public benefit corporation exempt from taxation under Section 501(c)(3) of the Internal Revenue Code;

(2) the property is used in the operation of a nonprofit health, fitness, aquatics, and community center; and

(3) funds for the acquisition and development of the property have been provided in part under the regional cities initiative of the Indiana economic development corporation under IC 5-28-38 (before its repeal).

(c) The property that is exempt under this section also includes any part of the property that is leased or licensed by the owner to another nonprofit or municipal entity for use as a nonprofit health, fitness, aquatics, or community center and property used for storage and parking.

(d) For purposes of this section, a tract of land and any improvements on the land are exempt from taxation if not more than four (4) years after the property is purchased, and for each year after the four (4) year period, the owner demonstrates substantial progress and active pursuit towards the use of the tract of land and any improvements on the tract as a nonprofit health, fitness, aquatics, and community center. To establish substantial progress and active pursuit under this subsection, the owner must prove the existence of factors such as the following:

(1) Organization of and activity by a building committee or other oversight group.

(2) Completion and filing of building plans with the appropriate local government authority.

(3) Cash reserves dedicated to the project of a sufficient amount to lead a reasonable individual to believe actual construction can and will begin within four (4) years.

(4) The breaking of ground and the beginning of actual

construction.

(5) Any other factor that would lead a reasonable individual to believe that construction of the improvement is an active plan and that the improvement is capable of being completed within eight (8) years considering the circumstances of the owner.

(e) To the extent the owner of property that is exempt from taxation as provided in this section has paid any property taxes, penalties, or interest with respect to the property for the 2017 assessment date through the 2018 assessment date, the owner of the exempt property is entitled to a refund of the amounts paid on the exempt property. Notwithstanding the filing deadlines for a claim under IC 6-1.1-26, any claim for a refund filed by the owner of exempt property under this subsection before September 1, 2019, is considered timely filed. The county auditor shall pay the refund due under this subsection in one (1) installment.

(f) If a refund is due under subsection (e) to an owner of property that is exempt under this section, the owner is not entitled to interest on the refund under this article or any other law to the extent interest has not been paid by or on behalf of the owner.

(g) This section expires January 1, 2028.

SECTION 39. IC 6-1.1-10-50, AS ADDED BY P.L.135-2022, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 50. Property designated **before July 1, 2026,** as exempt under IC 36-7-32.5-15(b) by an executive or the Indiana economic development corporation is exempt from property taxation.

SECTION 40. IC 6-1.1-10-51, AS ADDED BY P.L.230-2025, SECTION 30, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 51. (a) As used in this section, "child care" has the meaning set forth in IC 12-7-2-28.2.

(b) As used in this section, "early learning advisory committee" refers to the early learning advisory committee established by IC 12-17.2-3.8-5.

(c) As used in this section, "employer" means any person, corporation, limited liability company, partnership, or other entity with employees employed at a physical location in Indiana. The term includes a pass through entity. However, the term does not include an employer who is in the business of operating a child care facility.

(d) As used in this section, "office" refers to the office of the secretary of family and social services established by IC 12-8-1.5-1.

(e) The part of the gross assessed value of tangible property that is attributable to tangible property owned and used by an employer, or a parent company, subsidiary, or affiliate company of an employer, to provide child care for children of the employer's employees and children of the employees of another business in accordance with an agreement entered into under subsection (g) is exempt from property taxation if the following conditions are met:

(1) The child care is provided in a facility located on the employer's property.

(2) Subject to subsection (g), the child care is provided only for children of the employer's employees.

(3) The child care facility is licensed by the division of family resources under IC 12-17.2.

(4) The part of the employer's property used to provide child care meets standards established by the office and the early learning advisory committee for the number of children to be served by the child care facility.

(f) The child care facility may be operated by the employer or under a contract described in Section 45F(c)(1)(A)(iii) of the Internal Revenue Code to provide child care services to the employer's employees.

(g) An employer may provide child care in a facility described in subsection (e)(1) for the children of the employees of another business if the employer and the other business enter into an agreement that outlines the terms under which the child care is to be provided to the children of the employees of the other business.

(h) This section applies only to property taxes imposed for an assessment date before January 1, 2027.

(i) This section expires January 1, 2028.

SECTION 41. IC 6-1.1-10-54, AS AMENDED BY THE TECHNICAL CORRECTIONS BILL OF THE 2026 GENERAL ASSEMBLY, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 54. (a) As used in this section, "designating body" means the fiscal body of:

(1) a county that does not contain a consolidated city; or

(2) a municipality.

(b) As used in this section, "eligible business" means an entity that meets the following requirements:

(1) The entity is engaged in a business that:

(A) operates; or

(B) leases qualified property for use in;

one (1) or more facilities.

(2) The entity's qualified property is located at a facility in Indiana.

(3) The entity, the lessor of qualified property (if the entity is a

lessee), and all lessees of qualified property invest in the aggregate at least one hundred million dollars ($100,000,000) in real and personal property at one (1) or more facilities in Indiana after January 1, 2026.

(4) The average wage of employees who are located in the county or municipality and engaged in the operation of the facility is at least one hundred twenty-five percent (125%) of the county average wage for the county in which the facility operates.

(c) As used in this section, "facility" has the meaning set forth in IC 6-2.5-15-5.

(d) As used in this section, "fiscal body" has the meaning set forth in IC 36-1-2-6.

(e) As used in this section, "municipality" has the meaning set forth in IC 36-1-2-11.

(f) As used in this section, "qualified property" means quantum safe fiber network equipment purchased after January 1, 2026, and any additions to or replacements ~~to~~ **of** such property.

(g) As used in this section, "quantum safe fiber network equipment" has the meaning set forth in IC 6-2.5-15-13.3.

(h) **Before July 1, 2026,** a designating body may enter into an agreement with an eligible business to grant the eligible business a property tax exemption. In the case of a county, the exemption applies only to qualified property that is located in unincorporated territory of the county. In the case of a municipality, the exemption applies only to qualified property that is located in the municipality. The property tax exemption applies to the qualified property only if the designating body and the eligible business enter into an agreement concerning the property tax exemption. The agreement must specify the duration of the property tax exemption. The agreement may specify that if the ownership of qualified property is transferred by an eligible business, the transferee is entitled to the property tax exemption on the same terms as the transferor. If a designating body enters into an agreement with an eligible business, the qualified property owned by the eligible business is exempt from property taxation as provided in the resolution and the agreement.

(i) If a designating body enters into an agreement under subsection (h) to provide a property tax exemption, the property tax exemption continues for the period specified in the agreement. **The property tax exemption may not be extended beyond the period specified in the initial agreement.**

SECTION 42. IC 6-1.1-12.1-0.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS

[EFFECTIVE JULY 1, 2026]: **Sec. 0.5. Notwithstanding any other law, after December 31, 2030:**

(1) a designating body may not initially designate an area as an economic revitalization zone under this chapter; and

(2) a deduction may not be allowed for the first time under this chapter on the assessed value of a particular property.

A deduction that was allowed on the assessed value of a particular property for the first time before January 1, 2031, may continue until the scheduled end of the abatement schedule established for the deduction.

SECTION 43. IC 6-1.1-42-0.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: **Sec. 0.5. Notwithstanding any other law, after December 31, 2030:**

(1) a designating body may not initially designate an area as a brownfield revitalization zone under this chapter; and

(2) a deduction may not be approved for the first time under this chapter on the assessed value of a particular property.

A deduction that was approved on the assessed value of a particular property for the first time before January 1, 2031, may continue through the period of time stated for the deduction in the resolution under section 24(a) of this chapter.

SECTION 44. IC 6-1.1-46.2-0.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: **Sec. 0.5. Notwithstanding any other law, after December 31, 2030, a deduction may not be allowed for the first time under this chapter on the assessed value of a particular property. A deduction that was allowed on the assessed value of a particular property for the first time before January 1, 2031, may continue until the scheduled end of the abatement schedule established for the deduction.**

SECTION 45. IC 6-1.1-53 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]:

Chapter 53. County Option for Homestead Property Tax Exemption

Sec. 1. As used in this chapter, "county fiscal body" means the:

(1) county council, for a county not having a consolidated city; or

(2) city-county council, for a county having a consolidated city.

Sec. 2. As used in this chapter, "exemption ordinance" refers to

an ordinance adopted under section 4 of this chapter by a county fiscal body.

Sec. 3. As used in this chapter, "qualified homestead" means real property that is receiving a homestead standard deduction under IC 6-1.1-12-37 and that is used as a principal place of residence by an:

(1) owner of the property who is at least sixty-five (65) years of age;

(2) individual who is at least sixty-five (65) years of age and is buying the property under a contract; or

(3) individual who is at least sixty-five (65) years of age and has a beneficial interest in the owner of the property.

Sec. 4. (a) A county fiscal body may adopt an exemption ordinance that exempts qualified homesteads from property taxation as provided in section 7 of this chapter.

(b) Before adopting an exemption ordinance under this section, a county fiscal body must conduct a public hearing on the proposed exemption ordinance. The county fiscal body must publish notice of the public hearing in accordance with IC 5-3-1.

(c) The county fiscal body shall provide a certified copy of an adopted exemption ordinance to the department of local government finance and the county assessor.

Sec. 5. An exemption ordinance adopted under this chapter must exempt all qualified homesteads in a county from property taxation.

Sec. 6. A county fiscal body may repeal or amend an exemption ordinance.

Sec. 7. To make a qualified homestead exempt from property taxation under this article, the part of the property tax liability (including any property tax liability imposed in a voter approved referendum) on a qualified homestead that remains after taking into account all deductions and credits provided under any other law is eliminated. A deduction, credit, or allocation of revenue that reduces the property tax liability on a homestead using a local revenue source may not be changed after the assessment date on which the exemption is first applicable.

Sec. 8. (a) A person receiving the homestead standard deduction under IC 6-1.1-12-37 on a qualified homestead is entitled to the exemption provided by this chapter and must apply for the exemption under this chapter in a manner similar to the application process for the homestead standard deduction under IC 6-1.1-12-37.

(b) The auditor of each county shall, in a particular year, apply the exemption to each person who received the exemption in the preceding year unless the county auditor determines that the person is no longer eligible for the exemption.

(c) An individual who receives an exemption under this chapter in a particular year and who becomes ineligible for the exemption in the following year shall notify the auditor of the county in which the homestead is located of the individual's ineligibility not later than sixty (60) days after the individual becomes ineligible.

Sec. 9. IC 6-1.1-11 does not apply to claiming the exemption provided by this chapter.

SECTION 46. IC 36-7-32.5-15, AS ADDED BY P.L.135-2022, SECTION 28, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 15. (a) **Before July 1, 2026,** an executive or the corporation may enter into a written agreement with a taxpayer who owns, or is otherwise obligated to pay property taxes on, tangible property that is or will be located in an allocation area established under this chapter in which the taxpayer waives review of any assessment of the taxpayer's tangible property that is located in the allocation area for an assessment date that occurs during the term of any specified bond or lease obligations that are payable, in whole or in part, from property taxes in accordance with an allocation provision for the allocation area and any applicable statute, ordinance, or resolution.

(b) **Before July 1, 2026, and** except as provided in subsection (c), but notwithstanding any other law, an executive or the corporation may exempt from taxation any tangible real property improvements or personal property, or a part of real property improvements or personal property, that:

(1) in the case of real property improvements, is assessed as commercial or industrial property under the rules of the department of local government finance;

(2) is located within the innovation development district; and

(3) was:

(A) in the case of real property improvements, constructed; and

(B) in the case of personal property, first entered into service;

after the date that the innovation development district was designated under section 9 of this chapter.

The executive, or the corporation, as applicable, shall notify the county assessor and county auditor of the county in which the real property improvement or personal property is located of an exemption provided under this subsection. An executive who provided an exemption, or the corporation, if the corporation provided the exemption, may terminate the exemption by providing notice to the county assessor and county auditor of the county in which the real property improvement or personal property is located. An exemption, or the termination of an exemption, is effective beginning with the assessment date that immediately follows the date that the notice required under this subsection is provided by the executive or the corporation.

(c) An executive and the corporation may not exempt from taxation any real property improvements or personal property described in subsection (b) after any bonds have been issued by the Indiana finance authority under IC 5-1.2-4-4(a)(2) that are payable from revenues deposited in a local innovation development district fund established under section 19 of this chapter as long as the bonds remain outstanding.

SECTION 47. [EFFECTIVE JULY 1, 2026] **(a) IC 6-1.1-10-16, IC 6-1.1-10-32, and IC 6-1.1-10-33, all as amended by this act, apply to assessment dates after December 31, 2026.**

(b) This SECTION expires July 1, 2029.