

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS
FISCAL IMPACT STATEMENT**

LS 6731
BILL NUMBER: HB 1406

NOTE PREPARED: Feb 2, 2026
BILL AMENDED: Jan 27, 2026

SUBJECT: Property Tax Billing Statements.

FIRST AUTHOR: Rep. Thompson
FIRST SPONSOR: Sen. Holdman

BILL STATUS: As Passed House

FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: Local

Summary of Legislation: This bill provides, in a county that uses a property tax statement as the notice of assessment, that the county treasurer must send a property tax statement to all property owners regardless of whether the property has any liability. It also requires the county treasurer shall indicate on the property tax statement whether a taxpayer's property tax liability for property taxes first due and payable in 2027 is less than the taxpayer's property tax liability for property taxes first due and payable in 2026 for the taxpayer's homestead.

Effective Date: July 1, 2026.

Explanation of State Expenditures:

Explanation of State Revenues:

Explanation of Local Expenditures: This bill will increase both the workload and potentially the costs for county treasurers. County treasurers will be required to indicate on property tax statements if a taxpayer's homestead tax liability in Pay 2027 is less than their homestead tax liability in Pay 2026. Additionally, county treasurers will be required to send a property tax statement to all property owners if their respective county assessors do not currently send out a separate notice of assessments (i.e., Form 11) to property owners. The actual impact will vary from county to county and will depend on whether the county sends out Form 11s to property owners.

[For CY 2025, out of 92 counties, 9 counties used the property tax statement as the official notice of assessment rather than sending out Form 11s to property owners: Gibson, Lake, Lawrence, Marion, Martin, Orange, Perry, Pike, and Warren.]

Explanation of Local Revenues:

State Agencies Affected:

Local Agencies Affected: County treasurers.

Information Sources: Pay 2025 county property tax data; Department of Local Government Finance.

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