

SENATE BILL No. 163

DIGEST OF INTRODUCED BILL

Citations Affected: IC 6-1.1; IC 6-3.1-35.

Synopsis: Various property tax matters. Repeals the sunset for the county option circuit breaker tax credit, which is set to expire January 1, 2028. Eliminates the assessed value cap that applies to the property tax deduction for a veteran who: (1) has a total disability; or (2) is at least 62 years of age and has at least a 10% disability. Establishes a county option first time home buyer's circuit breaker tax credit. Provides that a county assessor who uses the contract services of a professional appraiser for assessment purposes may not, anytime after the real property assessment date for the given assessment year, request, receive, consider, or use any additional advisory information provided to the county assessor from the professional appraiser for the purposes of a property tax appeal. Requires the department of local government finance (DLGF) to develop and provide to each county a standard Internet user portal through which taxpayers may make property tax payments on at least a monthly basis by electronic payment to the county treasurer. Requires each county treasurer to maintain the portal on the treasurer's website and make it available for taxpayer use. Requires the DLGF to prepare a report regarding the creation of an automated valuation system for local assessors to use for the assessment of homestead and residential property values and to present the report to the interim study committee on fiscal policy. Extends the expiration of the affordable and workforce housing tax credit by five years from July 1, 2028, to July 1, 2033. Makes corresponding changes.

Effective: Upon passage; July 1, 2026.

Rogers

January 5, 2026, read first time and referred to Committee on Tax and Fiscal Policy.



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.

SENATE BILL No. 163

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 6-1.1-12-14, AS AMENDED BY P.L.230-2025,
2 SECTION 32, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2026]: Sec. 14. (a) Except as provided in subsection (c) and
4 except as provided in section 40.5 of this chapter, an individual may
5 have the sum of fourteen thousand dollars (\$14,000) deducted from the
6 assessed value of the real property, mobile home not assessed as real
7 property, or manufactured home not assessed as real property that the
8 individual owns (or the real property, mobile home not assessed as real
9 property, or manufactured home not assessed as real property that the
10 individual is buying under a contract that provides that the individual
11 is to pay property taxes on the real property, mobile home, or
12 manufactured home if the contract or a memorandum of the contract is
13 recorded in the county recorder's office) if:
14 (1) the individual served in the military or naval forces of the
15 United States for at least ninety (90) days;
16 (2) the individual received an honorable discharge;
17 (3) the individual either:



- 1 (A) has a total disability; or
- 2 (B) is at least sixty-two (62) years old and has a disability of at
- 3 least ten percent (10%);
- 4 (4) the individual's disability is evidenced by:
- 5 (A) a pension certificate or an award of compensation issued
- 6 by the United States Department of Veterans Affairs; or
- 7 (B) a certificate of eligibility issued to the individual by the
- 8 Indiana department of veterans' affairs after the Indiana
- 9 department of veterans' affairs has determined that the
- 10 individual's disability qualifies the individual to receive a
- 11 deduction under this section; and
- 12 (5) the individual:
- 13 (A) owns the real property, mobile home, or manufactured
- 14 home; or
- 15 (B) is buying the real property, mobile home, or manufactured
- 16 home under contract;
- 17 on the date the statement required by section 15 of this chapter is
- 18 filed.
- 19 (b) Except as provided in subsections (c) and ~~(d)~~; **(d)(1) through**
- 20 **(d)(3)**, the surviving spouse of an individual may receive the deduction
- 21 provided by this section if:
- 22 (1) the individual satisfied the requirements of subsection (a)(1)
- 23 through (a)(4) at the time of death; or
- 24 (2) the individual:
- 25 (A) was killed in action;
- 26 (B) died while serving on active duty in the military or naval
- 27 forces of the United States; or
- 28 (C) died while performing inactive duty training in the military
- 29 or naval forces of the United States; and
- 30 the surviving spouse satisfies the requirement of subsection (a)(5) at
- 31 the time the deduction statement is filed. The surviving spouse is
- 32 entitled to the deduction regardless of whether the property for which
- 33 the deduction is claimed was owned by the deceased veteran or the
- 34 surviving spouse before the deceased veteran's death.
- 35 (c) **This subsection applies to assessment dates before January**
- 36 **1, 2027.** Except as provided in subsection (f), no one is entitled to the
- 37 deduction provided by this section if the assessed value of the
- 38 individual's Indiana real property, Indiana mobile home not assessed as
- 39 real property, and Indiana manufactured home not assessed as real
- 40 property, as shown by the tax duplicate, exceeds the assessed value
- 41 limit specified in subsection ~~(d)~~; **(d)(1) through (d)(3).**
- 42 (d) Except as provided in subsection (f), for the:



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

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

(3) January 1, 2024, **January 1, 2025, and January 1, 2026**, assessment ~~date dates, and for each assessment date thereafter~~; the assessed value limit for purposes of subsection (c) is two hundred forty thousand dollars (\$240,000); **and**

(4) January 1, 2027, assessment date and for each assessment date thereafter, there shall be no assessed value limit to claim the deduction under this section.

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

(f) **This subsection applies to assessment dates before January 1, 2027.** For purposes of determining the assessed value of the real property, mobile home, or manufactured home under subsection ~~(d)~~ **(d)(1) through (d)(3)** for an individual who has received a deduction under this section in a previous year, increases in assessed value that occur after the later of:

(1) December 31, 2019; or

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

SECTION 2. IC 6-1.1-15-1.1, AS AMENDED BY P.L.9-2024, SECTION 167, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1.1. (a) A taxpayer may appeal an assessment of a taxpayer's tangible property by filing a notice in writing with the township assessor, or the county assessor if the township is not served by a township assessor. Except as provided in



subsections (e) and (h), an appeal under this section may raise any claim of an error related to the following:

- (1) The assessed value of the property.
- (2) The assessment was against the wrong person.
- (3) The approval, denial, or omission of a deduction, credit, exemption, abatement, or tax cap.
- (4) A clerical, mathematical, or typographical mistake.
- (5) The description of the real property.
- (6) The legality or constitutionality of a property tax or assessment.

A written notice under this section must be made on a form designated by the department of local government finance. A taxpayer must file a separate petition for each parcel.

(b) A taxpayer may appeal an error in the assessed value of the property under subsection (a)(1) any time after the official's action, but not later than the following:

- (1) For assessments before January 1, 2019, the earlier of:
 - (A) forty-five (45) days after the date on which the notice of assessment is mailed by the county; or
 - (B) forty-five (45) days after the date on which the tax statement is mailed by the county treasurer, regardless of whether the assessing official changes the taxpayer's assessment.
- (2) For assessments of real property, after December 31, 2018, the earlier of:
 - (A) June 15 of the assessment year, if the notice of assessment is mailed by the county before May 1 of the assessment year; or
 - (B) June 15 of the year in which the tax statement is mailed by the county treasurer, if the notice of assessment is mailed by the county on or after May 1 of the assessment year.
- (3) For assessments of personal property, forty-five (45) days after the date on which the county mails the notice under IC 6-1.1-3-20.

A taxpayer may appeal an error in the assessment under subsection (a)(2), (a)(3), (a)(4), (a)(5), or (a)(6) not later than three (3) years after the taxes were first due.

(c) Except as provided in subsection (d), an appeal under this section applies only to the tax year corresponding to the tax statement or other notice of action.

(d) An appeal under this section applies to a prior tax year if a county official took action regarding a prior tax year, and such action



1 is reflected for the first time in the tax statement. A taxpayer who has
 2 timely filed a written notice of appeal under this section may be
 3 required to file a petition for each tax year, and each petition filed later
 4 must be considered timely.

5 (e) A taxpayer may not appeal under this section any claim of error
 6 related to the following:

7 (1) The denial of a deduction, exemption, abatement, or credit if
 8 the authority to approve or deny is not vested in the county board,
 9 county auditor, county assessor, or township assessor.

10 (2) The calculation of interest and penalties.

11 (3) A matter under subsection (a) if a separate appeal or review
 12 process is statutorily prescribed.

13 However, a claim may be raised under this section regarding the
 14 omission or application of a deduction approved by an authority other
 15 than the county board, county auditor, county assessor, or township
 16 assessor.

17 (f) The filing of a written notice under this section constitutes a
 18 request by the taxpayer for a preliminary informal meeting with the
 19 township assessor, or the county assessor if the township is not served
 20 by a township assessor.

21 (g) A county or township official who receives a written notice
 22 under this section shall forward the notice to:

23 (1) the county board; and

24 (2) the county auditor, if the taxpayer raises a claim regarding a
 25 matter that is in the discretion of the county auditor.

26 (h) A taxpayer may not raise any claim in an appeal under this
 27 section related to the legality or constitutionality of:

28 (1) a user fee (as defined in IC 33-23-1-10.5);

29 (2) any other charge, fee, or rate imposed by a political
 30 subdivision under any other law; or

31 (3) any tax imposed by a political subdivision other than a
 32 property tax.

33 (i) This subsection applies only to an appeal based on a claim of
 34 error in the determination of property that is or is not eligible for a
 35 standard homestead deduction under IC 6-1.1-12-37 and only for an
 36 assessment date occurring before January 1, 2024. A taxpayer may
 37 appeal an error in the assessment of property as described in this
 38 subsection any time after the official's action, but not later than one (1)
 39 year after the date on which the property that is the subject of the
 40 appeal was assessed.

41 **(j) A county assessor who uses the contract services of a**
 42 **professional appraiser under IC 6-1.1-4-18.5 for assessment or**



reassessment purposes may not, anytime after the real property assessment date under IC 6-1.1-2-1.5 for the given assessment year, request, receive, consider, or use any additional advisory information provided to the county assessor from the professional appraiser for the purposes of a property tax appeal under this chapter, including a preliminary informal meeting under section 1.2(a) of this chapter.

SECTION 3. IC 6-1.1-30-21 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 21. (a) The department shall develop and provide to each county a standard Internet user portal through which taxpayers may make property tax payments on at least a monthly basis by electronic payment (as defined in IC 5-27-2-3) to the county treasurer.

(b) The department shall make the portal available to each county treasurer not later than December 31, 2026.

(c) After December 31, 2026, each county treasurer shall maintain on the treasurer's website and make available for taxpayer use the portal described in subsection (a).

SECTION 4. IC 6-1.1-49-4, AS ADDED BY P.L.95-2023, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 4. (a) Subject to subsection (h); (g), a county fiscal body may adopt an ordinance to provide a credit against a qualified individual's property tax liability as set forth in this chapter.

(b) An ordinance adopted under this section may designate a neighborhood enhancement district. A neighborhood enhancement district may include:

- (1) all of the territory of the county; or
- (2) one (1) or more specific geographic territories within the county;

as an area in which qualified individuals may apply for the credit.

(c) Subject to subsection (h); (g), an ordinance adopted under this section must:

- (1) include a boundary description of the neighborhood enhancement district or districts to which the ordinance applies;
- (2) specify the income thresholds for a qualified individual under section 3(5)(A) and 3(5)(B) of this chapter, if any; and
- (3) specify the percentage of increase on a qualified individual's property tax liability in a particular year compared to the prior year that is to be used in determining the amount of the county option circuit breaker tax credit calculated under section 7(2)(B) of this chapter. The percentage must be at least two percent (2%)



but not more than five percent (5%).

The boundary description required under subdivision (1) must be sufficient to identify the parcel or parcels to which the credit may be applied, including identification by taxing district, a parcel list, or a legal description.

(d) If a proposal is presented to the county fiscal body to adopt an ordinance under this section, the county fiscal body shall hear the proposal at a public meeting of the county fiscal body and may then vote to adopt the ordinance at the next meeting of the county fiscal body.

(e) The county fiscal body may rescind an ordinance adopted under this section.

(f) An ordinance adopted under this section is effective January 1 of the year following the year in which the ordinance is adopted.

~~(g) An ordinance adopted under this section must specify that the credit does not apply for property taxes first due and payable after December 31, 2027.~~

~~(h)~~ (g) A county fiscal body shall prescribe the same income thresholds, credit amounts, and any other requirements related to eligibility for each neighborhood enhancement district designated in the county.

SECTION 5. IC 6-1.1-49-11 IS REPEALED [EFFECTIVE JULY 1, 2026]. ~~Sec. 11. This chapter expires January 1, 2028.~~

SECTION 6. IC 6-1.1-53 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:

Chapter 53. County Option First Time Home Buyer's Circuit Breaker Tax Credit

Sec. 1. As used in this chapter, "first time home buyer" means an individual who has not had an ownership interest in a home at any time preceding the date on which the individual purchases a home.

Sec. 2. As used in this chapter, "home" means an individual's principal place of residence in Indiana that is:

(1) in the first year, eligible for the standard homestead deduction under IC 6-1.1-12-37; and

(2) in the second and following years, granted the standard homestead deduction under IC 6-1.1-12-37.

The term does not include a newly constructed home that is less than one hundred percent (100%) completed.

Sec. 3. As used in this chapter, "qualified individual" means an individual who:



(1) is a first time home buyer;

(2) is:

(A) in the first year, eligible for the standard homestead deduction under IC 6-1.1-12-37; and

(B) in the second and following years, granted the standard homestead deduction under IC 6-1.1-12-37;

(3) had:

(A) in the case of an individual who filed a single return, an adjusted gross income (as defined in Section 62 of the Internal Revenue Code) not exceeding the amount specified in the ordinance adopted by the county under section 4(b)(2) of this chapter; or

(B) in the case of an individual who filed a joint income tax return with the individual's spouse, combined adjusted gross income (as defined in Section 62 of the Internal Revenue Code) not exceeding the amount specified in the ordinance adopted by the county under section 4(b)(2) of this chapter;

for the calendar year preceding by two (2) years the calendar year in which property taxes are first due and payable;

(4) had an assessed value for the individual's Indiana real property that is an amount not more than the amount specified in the ordinance adopted by the county fiscal body under section 4(b)(3) of this chapter in the first year the credit will be applied; and

(5) resides within the boundaries specified in the ordinance adopted by the county fiscal body under section 4(b)(1) of this chapter.

Sec. 4. (a) Subject to subsection (f), a county fiscal body may adopt an ordinance to provide a credit against a qualified individual's property tax liability as set forth in this chapter.

(b) Subject to subsection (f), an ordinance adopted under this section must:

(1) include a boundary description to which the ordinance applies;

(2) specify the income thresholds for a qualified individual under section 3(3)(A) and 3(3)(B) of this chapter, if any;

(3) specify the maximum assessed value for an individual's qualifying Indiana real property, if any; and

(4) specify the number of years the credit is to be applied, which must be at least one (1) calendar year but not more than five (5) consecutively succeeding calendar years,



beginning with the calendar year that the qualified individual's home is first assessed as a first time home buyer. The boundary description required under subdivision (1) must be sufficient to identify the parcel or parcels to which the credit may be applied, including identification by taxing district, a parcel list, or a legal description.

(c) If a proposal is presented to the county fiscal body to adopt an ordinance under this section, the county fiscal body shall hear the proposal at a public meeting of the county fiscal body and may then vote to adopt the ordinance at the next meeting of the county fiscal body.

(d) The county fiscal body may rescind an ordinance adopted under this section. However, the rescission of an ordinance shall not affect those qualified individuals who are eligible and granted the credit for the qualified individual's property tax liability under the ordinance before the date of the rescission and would continue to be eligible to apply the credit under the term of years specified in the ordinance in one (1) or more succeeding years, if not for the rescission. The county fiscal body must state in the ordinance that the credit allowed under the ordinance shall continue in effect for those qualified individuals, notwithstanding the rescission.

(e) An ordinance adopted under this section is effective January 1 of the year following the year in which the ordinance is adopted.

(f) A county fiscal body shall prescribe the same income and assessed value thresholds and any other requirements and limitations related to eligibility for each boundary designated in the county.

Sec. 5. If a county fiscal body adopts an ordinance to either provide the credit under this chapter or rescind an ordinance previously adopted, the county fiscal body shall, not later than fifteen (15) days after the adoption of the ordinance, give notice of the adoption of the ordinance to:

- (1) the department on the form and in the manner prescribed by the department;
- (2) the county auditor;
- (3) the fiscal officer of each taxing unit within each boundary to which the ordinance applies; and
- (4) in the case of a county that has rescinded an ordinance under section 4(d) of this chapter, each qualified individual who has already been granted and will continue to be eligible to apply the credit to the qualified individual's property tax liability under the ordinance, notwithstanding the rescission,



1 advising them that they will continue to be eligible to do so;
2 including a certified copy of the adopted ordinance.

3 Sec. 6. (a) A qualified individual who has a credit provided
4 under this chapter applied to the qualified individual's property
5 tax liability in a particular calendar year may not also have a
6 credit under IC 6-1.1-20.6-8.5 applied to the qualified individual's
7 property tax liability in the same calendar year.

8 (b) Not more than one (1) credit may be claimed under this
9 chapter with respect to a particular homestead by any qualified
10 individual.

11 Sec. 7. (a) The amount of the credit under this chapter is equal
12 to the greater of zero (0) or the result of:

13 (1) the property tax liability first due and payable on the
14 qualified individual's homestead property for the calendar
15 year (excluding any property tax liability imposed in a voter
16 approved referendum levy); minus

17 (2) the result of:

18 (A) the property tax liability first due and payable on the
19 qualified individual's homestead property for the
20 immediately preceding year after the application of the
21 credit granted under this section for that year (excluding
22 any property tax liability imposed in a voter approved
23 referendum levy); multiplied by

24 (B) the sum of:

25 (i) the applicable percentage under subsection (b),
26 expressed as a decimal; plus

27 (ii) one (1).

28 However, the credit provided by this chapter shall not apply to any
29 portion of property tax liability imposed on a qualified individual's
30 homestead property that is used for trade or business purposes in
31 connection with the production of income, and the qualified
32 individual must attest to this on the application for the credit. In
33 addition, the credit does not affect the allocation of taxes to a
34 referendum fund.

35 (b) The following percentage applies under subsection
36 (a)(2)(B)(i) depending on the number of years the credit is to be
37 applied under section 4(b)(4) of this chapter:

38 (1) For the first calendar year that a credit is applied to the
39 qualified individual's homestead property under this chapter,
40 the applicable percentage under subsection (a)(2)(B)(i) is two
41 percent (2%) for that calendar year.

42 (2) If a credit is applied to the qualified individual's



homestead property under this chapter for a second calendar year, the applicable percentage under subsection (a)(2)(B)(i) is two percent (2%) for that calendar year.

(3) If a credit is applied to the qualified individual's homestead property under this chapter for a third calendar year, the applicable percentage under subsection (a)(2)(B)(i) is three percent (3%) for that calendar year.

(4) If a credit is applied to the qualified individual's homestead property under this chapter for a fourth calendar year, the applicable percentage under subsection (a)(2)(B)(i) is four percent (4%) for that calendar year.

(5) If a credit is applied to the qualified individual's homestead property under this chapter for a fifth calendar year, the applicable percentage under subsection (a)(2)(B)(i) is five percent (5%) for that calendar year.

Sec. 8. If the ownership of a homestead for which a qualified individual received a credit under this chapter changes, and the qualified individual no longer owns or principally resides in the homestead, the county auditor shall remove the designation of the individual as a qualified individual with respect to that homestead.

Sec. 9. The auditor of each county shall, in a particular year, apply a credit provided under this chapter to each qualified individual who received the credit in the preceding year, unless the county auditor determines that the individual is no longer eligible for the credit.

Sec. 10. (a) If a qualified individual who is receiving the credit provided by this chapter:

(1) knows or should have known that the individual does not qualify for the credit under this chapter; or

(2) changes the use of the individual's property so that part or all of the property no longer qualifies for the credit under this chapter;

the individual must file a certified statement with the county auditor notifying the county auditor that subdivision (1) or (2) applies not more than sixty (60) days after the date subdivision (1) or (2) first applies.

(b) An individual who fails to file the statement required by this section is liable for any additional taxes that would have been due on the property if the individual had filed the statement as required by this section, plus a civil penalty equal to ten percent (10%) of the additional taxes due. The additional taxes owed plus the civil penalty become part of the property tax liability for



purposes of this article.

(c) The civil penalty imposed under this section is in addition to any interest and penalties for a delinquent payment that might otherwise be due. One percent (1%) of the total civil penalty collected under this section shall be transferred by the county to the department for use by the department in establishing and maintaining the homestead property data base under IC 6-1.1-12-37(j) and, to the extent there is money remaining, for any other purposes of the department.

SECTION 7. IC 6-3.1-35-7, AS AMENDED BY P.L.194-2023, SECTION 24, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 7. (a) An eligible applicant who wishes to obtain the state tax credit provided by this chapter for a qualified project must submit an application to the authority after June 30, 2023, and before January 1, ~~2028~~, **2033**, in the manner prescribed by the authority.

(b) An application submitted under subsection (a) must include:

- (1) the name and address of the qualified project;
- (2) the name and address of the owner of the qualified project; and
- (3) any other information required by the authority.

(c) Subject to section 8 of this chapter, the authority may approve a tax credit application if:

- (1) the applicant is an eligible applicant;
- (2) the project identified in the application is a qualified project; and
- (3) the tax credit application meets any other requirements for receipt of state tax credits established by the authority.

(d) If the authority approves a tax credit application for a qualified project, for each taxable year in the tax credit period the authority may approve a maximum amount of state tax credits. The maximum aggregate amount of state tax credits awarded by the authority for the state tax credit period of a qualified project is an amount that is the product of:

- (1) a percentage determined by the authority, which must be less than or equal to one hundred percent (100%); multiplied by
- (2) the anticipated aggregate federal tax credits over the credit period as defined by Section 42(f) of the Internal Revenue Code and specified in a letter issued by the authority for the qualified project under Section 42(m) of the Internal Revenue Code (annual amount multiplied by ten (10) years).

(e) If the authority approves a tax credit application for a qualified project, the authority shall issue an eligibility statement to the eligible



applicant. The eligibility statement must specify at least the following:

- (1) A unique identification code for the eligibility statement, determined by the authority.
- (2) The name of the qualified project.
- (3) For each taxable year in the state tax credit period of the qualified project, the maximum amount of state tax credit that the authority is awarding to the eligible applicant for the qualified project.

(f) The authority shall transmit a copy of each eligibility statement issued under subsection (e) to the department.

SECTION 8. IC 6-3.1-35-8, AS ADDED BY P.L.137-2022, SECTION 52, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 8. (a) For each state fiscal year beginning after June 30, 2023, and before July 1, ~~2028~~, **2033**, the aggregate amount of state tax credits awarded by the authority under this chapter may not exceed thirty million dollars (\$30,000,000). For purposes of calculating the aggregate state tax credit limit for a state fiscal year, the amounts awarded by the authority are considered to be awarded in the year the award is made to the state tax credit recipient by the authority, notwithstanding the fact that the awarded state tax credit is to be claimed over the state tax credit period.

(b) To the extent that the tax credit applications requesting state tax credits exceed the amount of available state tax credits in a year, or the authority reasonably anticipates that the requests will exceed the state fiscal year limitation established in subsection (a), the authority may allocate the state tax credits in a manner that furthers the mission and purpose of the authority and otherwise promotes the establishment of qualified projects.

SECTION 9. IC 6-3.1-35-11, AS ADDED BY P.L.137-2022, SECTION 52, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 11. This chapter is subject to review under IC 2-5-3.2-1 to evaluate the effectiveness of the state tax credit. ~~one (1) year prior to its expiration under section 12 of this chapter.~~

SECTION 10. IC 6-3.1-35-12, AS ADDED BY P.L.137-2022, SECTION 52, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 12. This chapter expires July 1, ~~2028~~, **2033**.

SECTION 11. [EFFECTIVE UPON PASSAGE] (a) **As used in this SECTION, "automated valuation system" means a centralized system of automated valuation models and algorithms that may be applied to homestead and residential property valuation.**

(b) **As used in this SECTION, "homestead" refers to a homestead that qualifies for a standard deduction under**



- 1 **IC 6-1.1-12-37.**
2 **(c) As used in this SECTION, "residential property" has the**
3 **meaning set forth in IC 6-1.1-20.6-4.**
4 **(d) The department of local government finance shall prepare**
5 **a report regarding the creation of an automated valuation system**
6 **for local assessors to use in the state for the assessment of**
7 **homestead and residential property values.**
8 **(e) The department of local government finance shall present**
9 **the report prepared under subsection (d) to the interim study**
10 **committee on fiscal policy on or before November 1, 2026.**
11 **(f) This SECTION expires July 1, 2027.**
12 **SECTION 12. An emergency is declared for this act.**

