

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 ENROLLED ACT No. 163

AN ACT to amend the Indiana Code concerning taxation.

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

SECTION 1. IC 6-1.1-15-1.2, AS AMENDED BY P.L.9-2024, SECTION 168, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1.2. (a) A county or township official who receives a written notice under section 1.1 of this chapter shall schedule, at a time during business hours that is convenient to the taxpayer, a preliminary informal meeting with the taxpayer in order to resolve the appeal. If the taxpayer raises a claim regarding a matter that is in the discretion of the county auditor, the informal meeting must include the county auditor. At the preliminary informal meeting, in order to facilitate understanding and the resolution of disputed issues:

- (1) a county or township official;
- (2) the county auditor, if the matter is in the discretion of the county auditor; and
- (3) the taxpayer;

shall exchange the information that each party is relying on at the time of the preliminary informal meeting to support the party's respective position on each disputed issue concerning the assessment or deduction. If additional information is obtained by the county or township official, the county auditor, or the taxpayer after the preliminary informal meeting and before the hearing held by the county board, the party obtaining the information shall provide the information to the other party. If the county or township official, the county auditor, or the taxpayer obtains additional information and provides the

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information to the other party for the first time at the hearing held by the county board, the county board, unless waived by the receiving party, shall continue the hearing until a future hearing date of the county board so that the receiving party has an opportunity to review all the information that the offering party is relying on to support the offering party's positions on the disputed issues concerning the assessment or deduction.

(b) The official shall report on a form prescribed by the department of local government finance the results of the informal meeting. If the taxpayer and the official agree on the resolution of all issues in the appeal, the report shall state the agreed resolution of the matter and be signed by the official and the taxpayer. If an informal meeting is not held, or the informal meeting is unsuccessful, the official shall report those facts on the form. The official shall forward the report on the informal meeting to the county board.

(c) If the county board receives a report on the informal meeting indicating an agreed resolution of the matter, the county board shall vote to accept or deny the agreed resolution. If the county board accepts the agreed resolution, the county board shall issue a notification of final assessment determination adopting the agreed resolution and vacating the hearing if scheduled.

(d) The county board, upon receipt of a written notice under section 1.1 of this chapter, shall hold a hearing on the appeal not later than one hundred eighty (180) days after the filing date of the written notice. The county board shall, by mail, give at least thirty (30) days notice of the date, time, and place fixed for the hearing to the taxpayer, the county or township official with whom the taxpayer filed the written notice, and the county auditor. If the county board has notice that the taxpayer is represented by a third person, any hearing notice shall be mailed to the representative.

(e) If good cause is shown, the county board shall grant a request for continuance filed in writing at least ten (10) days before the hearing, and reschedule the hearing under subsection (d).

(f) A taxpayer may withdraw an appeal by filing a written request at least ten (10) days before the hearing. The county board shall issue a notification of final assessment determination indicating the withdrawal and no change in the assessment. A withdrawal waives a taxpayer's right to appeal to the Indiana board.

(g) The county board shall determine an appeal without a hearing if requested by the taxpayer in writing at least twenty (20) days before the hearing.

(h) If a taxpayer appeals the assessment of tangible property under



section 1.1 of this chapter, the taxpayer is not required to have an appraisal of the property in order to initiate the appeal or prosecute the appeal. If the taxpayer presents an appraisal to the county board that:

- (1) is prepared by a certified appraiser in compliance with the Uniform Standards of Professional Appraisal Practice to determine the market value in use;
- (2) is addressed to the property owner or the assessor's office;
- (3) is commissioned for the purpose of the assessment appeal; and
- (4) has an effective date that is the same date as the date of the assessment that is the subject of the appeal;

the value of the property contained in the appraisal is presumed to be correct. If the county board disagrees with the taxpayer's appraisal, the county board may seek review of the appraisal by a third party independent certified appraiser or obtain an independent appraisal report conducted by a certified appraiser in compliance with the Uniform Standards of Professional Appraisal Practice. If the county board's appraisal differs from the taxpayer's appraisal, the county board shall weigh the evidence and determine the true tax value of the property based on the totality of the probative evidence before the county board. The county board's determination of the property's true tax value may be higher or lower than the assessment but may not be lower than the lowest appraisal presented to or obtained by the county board, or higher than the highest appraisal presented to or obtained by the county board. After the assignment of value, the parties shall retain their rights to appeal the assessment or assessments to the Indiana board, which must hear the appeal de novo.

(i) At a hearing under subsection (d), the taxpayer shall have the opportunity to present testimony and evidence regarding the matters on appeal. If the matters on appeal are in the discretion of the county auditor, the county auditor or the county auditor's representative shall attend the hearing. A county or township official, or the county auditor or the county auditor's representative, shall have an opportunity to present testimony and evidence regarding the matters on appeal. The county board may adjourn and continue the hearing to a later date in order to make a physical inspection or consider the evidence presented. **However, the county board or assessing official shall not enter a property to conduct a physical inspection without first receiving the permission of the taxpayer to enter the property to make the physical inspection. Notwithstanding any other provision to the contrary, the county board shall not issue an order (including an order issued under 52 IAC 4-8-3) authorizing entry onto a taxpayer's property without the taxpayer's permission.**



(j) The county board shall determine the assessment by motion and majority vote. Except as provided in subsection (m), a county board may, based on the evidence before it, increase an assessment. The county board shall issue a written decision. Written notice of the decision shall be given to the township official, county official, county auditor, and the taxpayer.

(k) If more than one hundred eighty (180) days have passed since the date the notice of appeal was filed, and the county board has not issued a determination, a taxpayer may initiate any appeal with the Indiana board of tax review under section 3 of this chapter.

(l) The county assessor may assess a penalty of fifty dollars (\$50) against the taxpayer if the taxpayer or representative fails to appear at a hearing under subsection (d) and, under subsection (e), the taxpayer's request for continuance is denied, or the taxpayer's request for continuance, request for the board to take action without a hearing, or withdrawal is not timely filed. A taxpayer may appeal the assessment of the penalty to the Indiana board or directly to the tax court. The penalty may not be added as an amount owed on the property tax statement under IC 6-1.1-22 or IC 6-1.1-22.5.

(m) The determination of an appealed assessed value of tangible property by a county or township official resulting from an informal meeting under subsection (a), or by a county board resulting from an appeal hearing under subsection (d), may be less than or equal to the tangible property's original appealed assessed value at issue, but may not exceed the original appealed assessed value at issue. However, an increase in assessed value that is attributable to substantial renovation, new improvements, zoning change, or use change is excluded from the limitation under this subsection.

SECTION 2. IC 6-1.1-15-17.3, AS AMENDED BY P.L.178-2021, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 17.3. (a) As used in this section, "tax official" means:

- (1) a township assessor;
- (2) a county assessor;
- (3) a county auditor;
- (4) a county treasurer;
- (5) a member of a county board; or
- (6) any employee, contract employee, or independent contractor of an individual described in subdivisions (1) through (5).

(b) Except as provided in subsection (c), a tax official in a county may not serve as a tax representative of any taxpayer with respect to property subject to property taxes in the county before the county board



of that county or the Indiana board. The prohibition under this subsection applies regardless of whether or not the individual receives any compensation for the representation or assistance.

(c) Subsection (b) does not:

- (1) prohibit a contract employee or independent contractor of a tax official from serving as a tax representative before the county board or Indiana board for a taxpayer with respect to property subject to property taxes in the county unless the contract employee or independent contractor personally and substantially participated in the assessment of the property; or
- (2) prohibit an individual from appearing before the county board or Indiana board regarding property owned by the individual.

(d) An individual who is a former county assessor, former township assessor, former employee or contract employee of a county assessor or township assessor, or an independent contractor formerly employed by a county assessor or township assessor may not serve as a tax representative for or otherwise assist another person in an assessment appeal before a county board or the Indiana board if:

- (1) the appeal involves the assessment of property located in:
 - (A) the county in which the individual was the county assessor or was an employee, contract employee, or independent contractor of the county assessor; or
 - (B) the township in which the individual was the township assessor or was an employee, contract employee, or independent contractor of the township assessor; and
- (2) while the individual was the county assessor or township assessor, was employed by or a contract employee of the county assessor or the township assessor, or was an independent contractor for the county assessor or the township assessor, the individual personally and substantially participated in the assessment of the property.

The prohibition under this subsection applies regardless of whether the individual receives any compensation for the representation or assistance. However, this subsection does not prohibit an individual from appearing before the Indiana board or county board regarding property owned by the individual.

(e) The department shall prepare and make available to taxpayers a power of attorney form that allows the owner of property that is the subject of an appeal under this article to appoint a relative (as defined in IC 2-2.2-1-17) for specific assessment years to represent the owner concerning the appeal before the county board or the department of local government finance. A relative who is appointed by the owner of



the property under this subsection:

- (1) may represent the owner before the county board or the department of local government finance but not the Indiana board concerning the appeal; and
 - (2) is not required to be certified as a tax representative in order to represent the owner concerning the appeal.
- (f) Notwithstanding any other law, but subject to subsections (b) and (d) and IC 6-1.1-31.7-3.5, an individual may serve as a tax representative of any taxpayer concerning property subject to property taxes in the county:
- (1) before the county board of that county, if:
 - (A) the individual is certified as a level two assessor-appraiser under IC 6-1.1-35.5; and
 - (B) the taxpayer ~~authorizes~~ **has provided written authorization, which may be by electronic means and may not be effective for more than one (1) year, to the individual** to serve as the taxpayer's tax representative on a form that: ~~is:~~
 - (i) ~~is~~ prepared by the department of local government finance; ~~and~~
 - (ii) contains an attestation that the taxpayer has provided written authorization for the individual designated to serve as the taxpayer's tax representative; and**
 - ~~(ii) (iii)~~ **(iii)** is submitted with the taxpayer's notice to initiate an appeal; or
 - (2) before the county board of that county or the Indiana board, if:
 - (A) the individual is certified as a level three assessor-appraiser under IC 6-1.1-35.5; **and**
 - (B) the taxpayer has provided written authorization, which may be by electronic means and may not be effective for more than one (1) year, to the individual to serve as the taxpayer's tax representative on a form that:**
 - (i) is prepared by the department of local government finance;
 - (ii) contains an attestation that the taxpayer has provided written authorization for the individual designated to serve as the taxpayer's tax representative; **and**
 - (iii) is submitted with the taxpayer's notice to initiate an appeal.

The taxpayer must also have a signed agreement with the individual designated to serve as the taxpayer's tax representative



which must be attested to by the taxpayer as required under subdivisions (1) and (2).

SECTION 3. 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), 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), 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~~. **December 31, 2028.**



(h) 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 4. IC 6-1.1-49-11, AS ADDED BY P.L.95-2023, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 11. This chapter expires January 1, ~~2028~~ **2029**.

SECTION 5. 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 6. 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 7. 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 8. [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 IC 6-1.1-12-37.

(c) As used in this SECTION, "residential property" has the meaning set forth in IC 6-1.1-20.6-4.

(d) The department of local government finance shall prepare a report regarding the creation of an automated valuation system for local assessors to use in the state for the assessment of homestead and residential property values. The report must include the following information:



- (1) A description of how automated valuation systems work.
- (2) A review of existing literature on the use of automated valuation systems in the assessment of property.
- (3) A review of how automated valuation systems are used in other states.
- (4) Any other topics the department of local government finance considers relevant.

(e) The department of local government finance shall present the report prepared under subsection (d) to the interim study committee on fiscal policy on or before November 1, 2026.

(f) This SECTION expires July 1, 2027.

SECTION 9. [EFFECTIVE UPON PASSAGE] (a) The department of local government finance shall prepare a report regarding county and electronic Internet payment systems with which taxpayers may make property tax payments. The report must contain the following information:

- (1) The number of counties that allow monthly payments and if the payments are made by an electronic funds transfer.
- (2) The cost to the county to allow monthly payments by an electronic funds transfer.
- (3) Whether the county charges the user a fee.
- (4) The percentage of taxpayers that pay property taxes on a monthly basis.
- (5) How the county confirms that the property taxes are paid timely.

(b) The department of local government finance shall present the report prepared under subsection (a) to the interim study committee on fiscal policy on or before November 1, 2026.

(c) This SECTION expires July 1, 2027.

SECTION 10. [EFFECTIVE UPON PASSAGE] (a) The department of local government finance shall prepare a report for the interim study committee on fiscal policy that identifies alternatives to:

- (1) the annual adjustment or trending process; and
- (2) the use of cost tables;

in property assessment under current law.

(b) The department of local government finance shall present the report prepared under subsection (a) to the interim study committee on fiscal policy on or before November 1, 2026.

(c) This SECTION expires July 1, 2027.

SECTION 11. An emergency is declared for this act.



President of the Senate

President Pro Tempore

Speaker of the House of Representatives

Governor of the State of Indiana

Date: _____ Time: _____

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