

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

LS 7123
BILL NUMBER: SB 287

NOTE PREPARED: Jan 7, 2026
BILL AMENDED:

SUBJECT: Tax Matters.

FIRST AUTHOR: Sen. Holdman
FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: Local

Summary of Legislation: This bill provides a real and personal property tax exemption for Indiana nonprofit senior living communities beginning with property taxes that are first due and payable in 2027.

Effective Date: January 1, 2026 (retroactive).

Explanation of State Expenditures:

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues: This bill extends the property tax exemption for Indiana nonprofit senior living communities:

- (1) registered as a continuing care retirement community,
- (2) defined as a small house health facility, or
- (3) licensed as a health care or residential care facility.

It also removes the \$500,000 entry fee cap for continuing care retirement communities.

More exemptions will result in a shift of property taxes from those properties eligible to receive the exemption to all other properties. Local units of government could potentially lose revenue due to increased tax cap credits.

[Current law states that these exemptions apply to taxes payable in CY 2025 and CY 2026 and will expire January 1, 2027.]

State Agencies Affected:

Local Agencies Affected: Civil taxing units and school corporations.

Information Sources:

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