

HOUSE BILL No. 1388

DIGEST OF INTRODUCED BILL

Citations Affected: IC 6-1.1; IC 32-25.5-1-1.

Synopsis: Property tax matters. Specifies that if a taxpayer files an amended personal property tax return for a year: (1) before July 16 of that year, the taxpayer shall pay the taxes payable in the immediately succeeding year based on the assessed value reported on the amended return; or (2) after July 15 of that year, the taxpayer shall pay the taxes payable in the immediately succeeding year based on the assessed value reported on the original personal property tax return. Requires a public utility company to file its property tax return with the department of local government finance (DLGF) on or before April 1 (rather than March 1, under current law). Provides that on or before July 1 of each year, for years ending before January 1, 2017, and on or before June 15, for years beginning after December 31, 2016, (rather than June 1 under current law), the DLGF shall certify to the county assessor and the county auditor of each county the distributable property assessed values that the DLGF determines are distributable to the taxing districts of the county. Repeals a provision: (1) specifying that a property tax exemption for a particular assessment date must be based on the property's eligibility for the exemption on that assessment date; and (2) specifying that an act occurring after the assessment date does not affect the eligibility of the property for an exemption for that assessment date. Deletes a provision in current law requiring a county auditor to cancel a standard deduction for a homestead under certain circumstances in which: (1) the taxpayer acquires an interest in or contracts to purchase a second homestead after the assessment date; and (2) on the assessment date, the property on which that second homestead is located was vacant land or the construction of the
(Continued next page)

Effective: Upon passage; July 1, 2015.

Leonard

January 14, 2015, read first time and referred to Committee on Ways and Means.



Digest Continued

dwelling that constitutes the second homestead was not completed. Deletes provisions requiring the DLGF to adopt rules for the administration of certain property tax deductions and exemptions. Requires a public library that is governed by an appointed board to obtain, from the appropriate county, city, or town fiscal body, binding approval of the public library's budget and tax levies. (Under current law, this binding approval is required only if the public library's budget increases by more than the assessed value growth quotient.) Specifies that the statute governing homeowners associations established after June 30, 2009, applies only to homeowners associations authorized to impose mandatory dues on their members.



First Regular Session of the 119th General Assembly (2015)

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 2014 Regular Session and 2014 Second Regular Technical Session of the General Assembly.

HOUSE BILL No. 1388



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 6-1.1-3-7.5, AS AMENDED BY P.L.111-2014,
2 SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 UPON PASSAGE]: Sec. 7.5. (a) A taxpayer may file an amended
4 personal property tax return, in conformity with the rules adopted by
5 the department of local government finance, not more than six (6)
6 months, if the filing date for the original personal property tax return
7 is before May 15, 2011, or twelve (12) months, if the filing date for the
8 original personal property tax return is after May 14, 2011, after the
9 later of the following:

10 (1) The filing date for the original personal property tax return, if
11 the taxpayer is not granted an extension in which to file under
12 section 7 of this chapter.
13 (2) The extension date for the original personal property tax
14 return, if the taxpayer is granted an extension under section 7 of



1 this chapter.

2 (b) A tax adjustment related to an amended personal property tax
3 return shall be made in conformity with rules adopted under IC 4-22-2
4 by the department of local government finance.

5 (c) If a taxpayer wishes to correct an error made by the taxpayer on
6 the taxpayer's original personal property tax return, the taxpayer must
7 file an amended personal property tax return under this section within
8 the time required by subsection (a). A taxpayer may claim on an
9 amended personal property tax return any adjustment or exemption that
10 would have been allowable under any statute or rule adopted by the
11 department of local government finance if the adjustment or exemption
12 had been claimed on the original personal property tax return.

13 (d) Notwithstanding any other provision, if:

14 (1) a taxpayer files an amended personal property tax return under
15 this section in order to correct an error made by the taxpayer on
16 the taxpayer's original personal property tax return; and

17 (2) the taxpayer is entitled to a refund of personal property taxes
18 paid by the taxpayer under the original personal property tax
19 return;

20 the taxpayer is not entitled to interest on the refund.

21 (e) If a taxpayer files an amended personal property tax return for
22 an assessment date in a year, the taxpayer shall pay taxes payable in the
23 immediately succeeding year based on the assessed value reported on
24 the amended return as follows: a year before July 16 of that year, the
25 taxpayer shall pay taxes payable in the immediately succeeding
26 year based on the assessed value reported on the amended return.

27 (1) If the assessment date occurs in a year ending before January
28 1, 2016, the taxpayer shall pay taxes based on the assessed values
29 reported on an amended return only if the amended return is filed
30 on or before July 15 of that year.

31 (2) If the assessment date occurs in a year ending after December
32 31, 2015, the taxpayer shall pay taxes based on the assessed
33 values reported on the amended return only if the amended return
34 is filed on or before April 1 of that year.

35 (f) If a taxpayer files an amended personal property tax return for an
36 assessment date in a year after July 15 of that year, for an assessment
37 date in a year ending before January 1, 2016, and after April 1 of that
38 year for an assessment date in a year beginning after December 31,
39 2015, the taxpayer shall pay taxes payable in the immediately
40 succeeding year based on the assessed value reported on the taxpayer's
41 original personal property tax return. Subject to subsection (l), a
42 taxpayer that paid taxes under this subsection is entitled to a credit in



1 the amount of taxes paid by the taxpayer on the remainder of:

2 (1) the assessed value reported on the taxpayer's original personal
3 property tax return; minus

4 (2) the finally determined assessed value that results from the
5 filing of the taxpayer's amended personal property tax return.

6 Except as provided in subsection (k), the county auditor may apply the
7 credit against the taxpayer's property taxes on personal property
8 payable in the year or years that immediately succeed the year in which
9 the taxes were paid, as applicable. The county is not required to pay
10 interest on any amounts that a taxpayer is entitled to receive as a credit
11 under this section.

12 (g) A county auditor may carry a credit to which the taxpayer is
13 entitled under subsection (f) forward to the immediately succeeding
14 year or years, as applicable, and use the credit against the taxpayer's
15 property taxes on personal property as follows:

16 (1) If the amount of the credit to which the taxpayer is initially
17 entitled under subsection (f) does not exceed twenty-five
18 thousand dollars (\$25,000), the county auditor may carry the
19 credit forward to the year immediately succeeding the year in
20 which the taxes were paid.

21 (2) If the amount of the credit to which the taxpayer is initially
22 entitled under subsection (f) exceeds twenty-five thousand dollars
23 (\$25,000), the county auditor may carry the credit forward for not
24 more than three (3) consecutive years immediately succeeding the
25 year in which the taxes were paid.

26 The credit is reduced each time the credit is applied to the taxpayer's
27 property taxes on personal property in succeeding years by the amount
28 applied.

29 (h) If an excess credit remains after the credit is applied in the final
30 year to which the credit may be carried forward under subsection (g),
31 the county auditor shall refund to the taxpayer the amount of any
32 excess credit that remains after application of the credit under
33 subsection (g) not later than December 31 of the final year to which the
34 excess credit may be carried.

35 (i) The taxpayer is not required to file an application for:

36 (1) a credit under subsection (f) or (g); or

37 (2) a refund under subsection (h).

38 (j) Before August 1 of each year, the county auditor shall provide to
39 each taxing unit in the county an estimate of the total amount of the
40 credits under subsection (f) or (g) that will be applied against taxes
41 imposed by the taxing unit that are payable in the immediately
42 succeeding year.



1 (k) A county auditor may refund a credit amount to a taxpayer
 2 before the time the credit would otherwise be applied against property
 3 tax payments under this section.

4 (l) If a person:

5 (1) files an amended personal property tax return more than six
 6 (6) months, but less than twelve (12) months, after the filing date
 7 or (if the taxpayer is granted an extension under section 7 of this
 8 chapter) the extension date for the original personal property tax
 9 return being amended; and

10 (2) is entitled to a credit or refund as a result of the amended
 11 return;

12 the county auditor shall reduce the credit or refund payable to the
 13 person. The amount of the reduction is ten percent (10%) of the credit
 14 or refund amount.

15 SECTION 2. IC 6-1.1-8-19, AS AMENDED BY P.L.183-2014,
 16 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 17 UPON PASSAGE]: Sec. 19. (a) Each year a public utility company
 18 shall file a statement concerning the value and description of the
 19 property which is either owned or used by the company on the
 20 assessment date of that year. The company shall file this statement with
 21 the department of local government finance in the manner prescribed
 22 by the department. A public utility company shall file its statement for
 23 a year:

24 (1) on or before ~~March~~ **April** 1st of that year unless the company
 25 is a railroad car company; or

26 (2) on or before July 1st of that year if the company is a railroad
 27 car company.

28 (b) A public utility company may, not later than sixty (60) days after
 29 filing a valid and timely statement under subsection (a), file an
 30 amended statement:

31 (1) for distribution purposes;

32 (2) to correct errors; or

33 (3) for any other reason, except:

34 (A) obsolescence; or

35 (B) the credit for railroad car maintenance and improvements
 36 provided under IC 6-1.1-8.2.

37 SECTION 3. IC 6-1.1-8-27, AS AMENDED BY P.L.111-2014,
 38 SECTION 18, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 39 UPON PASSAGE]: Sec. 27. (a) On or before ~~June~~ **July 1, of each year;**
 40 **for years ending before January 1, 2017, and on or before June 15**
 41 **for years beginning after December 31, 2016,** the department of local
 42 government finance shall



- 1 (1) make a tentative determination of the distributable property
 2 assessed values that are distributable to each taxing unit in
 3 Indiana based on the tentative distributable property assessed
 4 values determined under section 26 of this chapter; and
 5 (2) certify to the county assessor and the county auditor of each
 6 county the distributable property assessed values that the
 7 department tentatively determines are distributable to the taxing
 8 districts of the county.

9 The county auditor may use the tentative assessed values received
 10 under this subsection in preparation of the certified statement required
 11 under IC 6-1.1-17-1. The county auditor shall designate these values as
 12 tentative assessment values in the certified statement.

13 (b) As soon as the department of local government finance
 14 determines its final assessments of distributable property, the
 15 department shall certify to the county assessor and the county auditor
 16 of each county the distributable property assessed values which the
 17 department determines are distributable to the taxing districts of the
 18 county. In addition, if a public utility company has appealed the
 19 department of local government finance's final assessment of the
 20 company's distributable property, the department shall notify the county
 21 auditor of the appeal.

22 (c) (b) The county assessor shall review the department of local
 23 government finance's certification under subsection (b) (a) to
 24 determine if any of a public utility company's property which has a
 25 definite situs in the county has been omitted. The county auditor shall
 26 enter for taxation the assessed valuation of a public utility company's
 27 distributable property which the department distributes to a taxing
 28 district of the county.

29 SECTION 4. IC 6-1.1-11-1.5 IS REPEALED [EFFECTIVE UPON
 30 PASSAGE]. Sec. 4.5: (a) This section applies to an exemption for:

- 31 (1) an assessment date for property other than a mobile home
 32 assessed under IC 6-1.1-7 that occurs in a year that begins after
 33 December 31, 2015; and
 34 (2) an assessment date for a mobile home (including a
 35 manufactured home) assessed under IC 6-1.1-7 that occurs in a
 36 year that begins after December 31, 2016.

37 (b) An award of an exemption from property taxation for tangible
 38 property for a particular assessment date must be based on the tangible
 39 property's eligibility of the exemption on that assessment date. An act
 40 occurring after the assessment date, including a change in:

- 41 (1) use, value, character, or ownership of the tangible property; or
 42 (2) the age, disability, or income of any owner, contract buyer, or



1 possessor of tangible property;
 2 does not affect the eligibility of the tangible property for an exemption
 3 for that assessment date.

4 SECTION 5. IC 6-1.1-12-11, AS AMENDED BY P.L.1-2010,
 5 SECTION 23, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 6 UPON PASSAGE]: Sec. 11. (a) Except as provided in section 40.5 of
 7 this chapter, an individual may have the sum of twelve thousand four
 8 hundred eighty dollars (\$12,480) deducted from the assessed value of
 9 real property, mobile home not assessed as real property, or
 10 manufactured home not assessed as real property that the individual
 11 owns, or that the individual is buying under a contract that provides
 12 that the individual is to pay property taxes on the real property, mobile
 13 home, or manufactured home, if the contract or a memorandum of the
 14 contract is recorded in the county recorder's office, and if:

- 15 (1) the individual is blind or the individual has a disability;
 16 (2) the real property, mobile home, or manufactured home is
 17 principally used and occupied by the individual as the individual's
 18 residence;
 19 (3) the individual's taxable gross income for the calendar year
 20 preceding the year in which the deduction is claimed did not
 21 exceed seventeen thousand dollars (\$17,000); and
 22 (4) the individual:
 23 (A) owns the real property, mobile home, or manufactured
 24 home; or
 25 (B) is buying the real property, mobile home, or manufactured
 26 home under contract;

27 on the date the statement required by section 12 of this chapter is
 28 filed.

29 (b) For purposes of this section, taxable gross income does not
 30 include income which is not taxed under the federal income tax laws.

31 (c) For purposes of this section, "blind" has the same meaning as the
 32 definition contained in IC 12-7-2-21(1).

33 (d) For purposes of this section, "individual with a disability" means
 34 a person unable to engage in any substantial gainful activity by reason
 35 of a medically determinable physical or mental impairment which:

- 36 (1) can be expected to result in death; or
 37 (2) has lasted or can be expected to last for a continuous period of
 38 not less than twelve (12) months.

39 (e) An individual with a disability filing a claim under this section
 40 shall submit proof of ~~the~~ disability. ~~in such form and manner as the~~
 41 ~~department shall by rule prescribe.~~ Proof that a claimant is eligible to
 42 receive disability benefits under the federal Social Security Act (42



1 U.S.C. 301 et seq.) shall constitute proof of disability for purposes of
2 this section.

3 (f) An individual with a disability not covered under the federal
4 Social Security Act shall be examined by a physician and the
5 individual's status as an individual with a disability determined by
6 using the same standards as used by the Social Security Administration.
7 The costs of this examination shall be borne by the claimant.

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

15 SECTION 6. IC 6-1.1-12-37, AS AMENDED BY P.L.166-2014,
16 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
17 UPON PASSAGE]: Sec. 37. (a) The following definitions apply
18 throughout this section:

- 19 (1) "Dwelling" means any of the following:
- 20 (A) Residential real property improvements that an individual
 - 21 uses as the individual's residence, including a house or garage.
 - 22 (B) A mobile home that is not assessed as real property that an
 - 23 individual uses as the individual's residence.
 - 24 (C) A manufactured home that is not assessed as real property
 - 25 that an individual uses as the individual's residence.
- 26 (2) "Homestead" means an individual's principal place of
27 residence:
- 28 (A) that is located in Indiana;
 - 29 (B) that:
 - 30 (i) the individual owns;
 - 31 (ii) the individual is buying under a contract; recorded in the
 - 32 county recorder's office, that provides that the individual is
 - 33 to pay the property taxes on the residence;
 - 34 (iii) the individual is entitled to occupy as a
 - 35 tenant-stockholder (as defined in 26 U.S.C. 216) of a
 - 36 cooperative housing corporation (as defined in 26 U.S.C.
 - 37 216); or
 - 38 (iv) is a residence described in section 17.9 of this chapter
 - 39 that is owned by a trust if the individual is an individual
 - 40 described in section 17.9 of this chapter; and
 - 41 (C) that consists of a dwelling and the real estate, not
 - 42 exceeding one (1) acre, that immediately surrounds that



- 1 dwelling.
- 2 Except as provided in subsection (k), the term does not include
- 3 property owned by a corporation, partnership, limited liability
- 4 company, or other entity not described in this subdivision.
- 5 (b) Each year a homestead is eligible for a standard deduction from
- 6 the assessed value of the homestead for an assessment date. Except as
- 7 provided in subsection (p), the deduction provided by this section
- 8 applies to property taxes first due and payable for an assessment date
- 9 only if an individual has an interest in the homestead described in
- 10 subsection (a)(2)(B) on:
- 11 (1) the assessment date; or
- 12 (2) any date in the same year after an assessment date that a
- 13 statement is filed under subsection (e) or section 44 of this
- 14 chapter, if the property consists of real property.
- 15 Subject to subsection (c), the auditor of the county shall record and
- 16 make the deduction for the individual or entity qualifying for the
- 17 deduction.
- 18 (c) Except as provided in section 40.5 of this chapter, the total
- 19 amount of the deduction that a person may receive under this section
- 20 for a particular year is the lesser of:
- 21 (1) sixty percent (60%) of the assessed value of the real property,
- 22 mobile home not assessed as real property, or manufactured home
- 23 not assessed as real property; or
- 24 (2) forty-five thousand dollars (\$45,000).
- 25 (d) A person who has sold real property, a mobile home not assessed
- 26 as real property, or a manufactured home not assessed as real property
- 27 to another person under a contract that provides that the contract buyer
- 28 is to pay the property taxes on the real property, mobile home, or
- 29 manufactured home may not claim the deduction provided under this
- 30 section with respect to that real property, mobile home, or
- 31 manufactured home.
- 32 (e) Except as provided in sections 17.8 and 44 of this chapter and
- 33 subject to section 45 of this chapter, an individual who desires to claim
- 34 the deduction provided by this section must file a certified statement in
- 35 duplicate, on forms prescribed by the department of local government
- 36 finance, with the auditor of the county in which the homestead is
- 37 located. The statement must include:
- 38 (1) the parcel number or key number of the property and the name
- 39 of the city, town, or township in which the property is located;
- 40 (2) the name of any other location in which the applicant or the
- 41 applicant's spouse owns, is buying, or has a beneficial interest in
- 42 residential real property;



1 (3) the names of:

2 (A) the applicant and the applicant's spouse (if any):

3 (i) as the names appear in the records of the United States
4 Social Security Administration for the purposes of the
5 issuance of a Social Security card and Social Security
6 number; or

7 (ii) that they use as their legal names when they sign their
8 names on legal documents;

9 if the applicant is an individual; or

10 (B) each individual who qualifies property as a homestead
11 under subsection (a)(2)(B) and the individual's spouse (if any):

12 (i) as the names appear in the records of the United States
13 Social Security Administration for the purposes of the
14 issuance of a Social Security card and Social Security
15 number; or

16 (ii) that they use as their legal names when they sign their
17 names on legal documents;

18 if the applicant is not an individual; and

19 (4) either:

20 (A) the last five (5) digits of the applicant's Social Security
21 number and the last five (5) digits of the Social Security
22 number of the applicant's spouse (if any); or

23 (B) if the applicant or the applicant's spouse (if any) does not
24 have a Social Security number, any of the following for that
25 individual:

26 (i) The last five (5) digits of the individual's driver's license
27 number.

28 (ii) The last five (5) digits of the individual's state
29 identification card number.

30 (iii) If the individual does not have a driver's license or a
31 state identification card, the last five (5) digits of a control
32 number that is on a document issued to the individual by the
33 ~~federal United States~~ government. ~~and determined by the~~
34 ~~department of local government finance to be acceptable.~~

35 If a form or statement provided to the county auditor under this section,
36 IC 6-1.1-22-8.1, or IC 6-1.1-22.5-12 includes the telephone number or
37 part or all of the Social Security number of a party or other number
38 described in subdivision (4)(B) of a party, the telephone number and
39 the Social Security number or other number described in subdivision
40 (4)(B) included are confidential. The statement may be filed in person
41 or by mail. If the statement is mailed, the mailing must be postmarked
42 on or before the last day for filing. The statement applies for that first



1 year and any succeeding year for which the deduction is allowed. With
 2 respect to real property, the statement must be completed and dated in
 3 the calendar year for which the person desires to obtain the deduction
 4 and filed with the county auditor on or before January 5 of the
 5 immediately succeeding calendar year. With respect to a mobile home
 6 that is not assessed as real property, the person must file the statement
 7 during the twelve (12) months before March 31 of the year for which
 8 the person desires to obtain the deduction.

9 (f) If an individual who is receiving the deduction provided by this
 10 section or who otherwise qualifies property for a deduction under this
 11 section:

12 (1) changes the use of the individual's property so that part or all
 13 of the property no longer qualifies for the deduction under this
 14 section; or

15 (2) is no longer eligible for a deduction under this section on
 16 another parcel of property because:

17 (A) the individual would otherwise receive the benefit of more
 18 than one (1) deduction under this chapter; or

19 (B) the individual maintains the individual's principal place of
 20 residence with another individual who receives a deduction
 21 under this section;

22 the individual must file a certified statement with the auditor of the
 23 county, notifying the auditor of the change of use, not more than sixty
 24 (60) days after the date of that change. An individual who fails to file
 25 the statement required by this subsection is liable for any additional
 26 taxes that would have been due on the property if the individual had
 27 filed the statement as required by this subsection plus a civil penalty
 28 equal to ten percent (10%) of the additional taxes due. The civil penalty
 29 imposed under this subsection is in addition to any interest and
 30 penalties for a delinquent payment that might otherwise be due. One
 31 percent (1%) of the total civil penalty collected under this subsection
 32 shall be transferred by the county to the department of local
 33 government finance for use by the department in establishing and
 34 maintaining the homestead property data base under subsection (i) and,
 35 to the extent there is money remaining, for any other purposes of the
 36 department. This amount becomes part of the property tax liability for
 37 purposes of this article.

38 (g) The department of local government finance ~~shall~~ **may** adopt
 39 rules or guidelines concerning the application for a deduction under
 40 this section.

41 (h) This subsection does not apply to property in the first year for
 42 which a deduction is claimed under this section if the sole reason that



1 a deduction is claimed on other property is that the individual or
2 married couple maintained a principal residence at the other property
3 on March 1 in the same year in which an application for a deduction is
4 filed under this section or, if the application is for a homestead that is
5 assessed as personal property, on March 1 in the immediately
6 preceding year and the individual or married couple is moving the
7 individual's or married couple's principal residence to the property that
8 is the subject of the application. Except as provided in subsection (n),
9 the county auditor may not grant an individual or a married couple a
10 deduction under this section if:

11 (1) the individual or married couple, for the same year, claims the
12 deduction on two (2) or more different applications for the
13 deduction; and

14 (2) the applications claim the deduction for different property.

15 (i) The department of local government finance shall provide secure
16 access to county auditors to a homestead property data base that
17 includes access to the homestead owner's name and the numbers
18 required from the homestead owner under subsection (e)(4) for the sole
19 purpose of verifying whether an owner is wrongly claiming a deduction
20 under this chapter or a credit under IC 6-1.1-20.4, IC 6-1.1-20.6, or
21 IC 6-3.5.

22 (j) A county auditor may require an individual to provide evidence
23 proving that the individual's residence is the individual's principal place
24 of residence as claimed in the certified statement filed under subsection
25 (e). The county auditor may limit the evidence that an individual is
26 required to submit to a state income tax return, a valid driver's license,
27 or a valid voter registration card showing that the residence for which
28 the deduction is claimed is the individual's principal place of residence.
29 The department of local government finance shall work with county
30 auditors to develop procedures to determine whether a property owner
31 that is claiming a standard deduction or homestead credit is not eligible
32 for the standard deduction or homestead credit because the property
33 owner's principal place of residence is outside Indiana.

34 (k) As used in this section, "homestead" includes property that
35 satisfies each of the following requirements:

36 (1) The property is located in Indiana and consists of a dwelling
37 and the real estate, not exceeding one (1) acre, that immediately
38 surrounds that dwelling.

39 (2) The property is the principal place of residence of an
40 individual.

41 (3) The property is owned by an entity that is not described in
42 subsection (a)(2)(B).



- 1 (4) The individual residing on the property is a shareholder,
 2 partner, or member of the entity that owns the property.
- 3 (5) The property was eligible for the standard deduction under
 4 this section on March 1, 2009.
- 5 (l) If a county auditor terminates a deduction for property described
 6 in subsection (k) with respect to property taxes that are:
 7 (1) imposed for an assessment date in 2009; and
 8 (2) first due and payable in 2010;
 9 on the grounds that the property is not owned by an entity described in
 10 subsection (a)(2)(B), the county auditor shall reinstate the deduction if
 11 the taxpayer provides proof that the property is eligible for the
 12 deduction in accordance with subsection (k) and that the individual
 13 residing on the property is not claiming the deduction for any other
 14 property.
- 15 (m) For assessment dates after 2009, the term "homestead" includes:
 16 (1) a deck or patio;
 17 (2) a gazebo; or
 18 (3) another residential yard structure, as defined in rules **that may**
 19 **be** adopted by the department of local government finance (other
 20 than a swimming pool);
 21 that is assessed as real property and attached to the dwelling.
- 22 (n) A county auditor shall grant an individual a deduction under this
 23 section regardless of whether the individual and the individual's spouse
 24 claim a deduction on two (2) different applications and each
 25 application claims a deduction for different property if the property
 26 owned by the individual's spouse is located outside Indiana and the
 27 individual files an affidavit with the county auditor containing the
 28 following information:
 29 (1) The names of the county and state in which the individual's
 30 spouse claims a deduction substantially similar to the deduction
 31 allowed by this section.
 32 (2) A statement made under penalty of perjury that the following
 33 are true:
 34 (A) That the individual and the individual's spouse maintain
 35 separate principal places of residence.
 36 (B) That neither the individual nor the individual's spouse has
 37 an ownership interest in the other's principal place of
 38 residence.
 39 (C) That neither the individual nor the individual's spouse has,
 40 for that same year, claimed a standard or substantially similar
 41 deduction for any property other than the property maintained
 42 as a principal place of residence by the respective individuals.



1 A county auditor may require an individual or an individual's spouse to
 2 provide evidence of the accuracy of the information contained in an
 3 affidavit submitted under this subsection. The evidence required of the
 4 individual or the individual's spouse may include state income tax
 5 returns, excise tax payment information, property tax payment
 6 information, driver license information, and voter registration
 7 information.

8 (o) If:

9 (1) a property owner files a statement under subsection (e) to
 10 claim the deduction provided by this section for a particular
 11 property; and

12 (2) the county auditor receiving the filed statement determines
 13 that the property owner's property is not eligible for the deduction;
 14 the county auditor shall inform the property owner of the county
 15 auditor's determination in writing. If a property owner's property is not
 16 eligible for the deduction because the county auditor has determined
 17 that the property is not the property owner's principal place of
 18 residence, the property owner may appeal the county auditor's
 19 determination to the county property tax assessment board of appeals
 20 as provided in IC 6-1.1-15. The county auditor shall inform the
 21 property owner of the owner's right to appeal to the county property tax
 22 assessment board of appeals when the county auditor informs the
 23 property owner of the county auditor's determination under this
 24 subsection.

25 (p) An individual is entitled to the deduction under this section for
 26 a homestead for a particular assessment date if:

27 (1) either:

28 (A) the individual's interest in the homestead as described in
 29 subsection (a)(2)(B) is conveyed to the individual after the
 30 assessment date, but within the calendar year in which the
 31 assessment date occurs; or

32 (B) the individual contracts to purchase the homestead after
 33 the assessment date, but within the calendar year in which the
 34 assessment date occurs;

35 (2) on the assessment date:

36 (A) the property on which the homestead is currently located
 37 was vacant land; or

38 (B) the construction of the dwelling that constitutes the
 39 homestead was not completed;

40 (3) either:

41 (A) the individual files the certified statement required by
 42 subsection (e) on or before December 31 of the calendar year



- 1 in which the assessment date occurs to claim the deduction
 2 under this section; or
 3 (B) a sales disclosure form that meets the requirements of
 4 section 44 of this chapter is submitted to the county assessor
 5 on or before December 31 of the calendar year for the
 6 individual's purchase of the homestead; and
 7 (4) the individual files with the county auditor on or before
 8 December 31 of the calendar year in which the assessment date
 9 occurs a statement that
 10 (A) lists any other property for which the individual would
 11 otherwise receive a deduction under this section for the
 12 assessment date. ~~and~~
 13 (B) ~~cancels the deduction described in clause (A) for that~~
 14 ~~property.~~
- 15 An individual who satisfies the requirements of subdivisions (1)
 16 through (4) is entitled to the deduction under this section for the
 17 homestead for the assessment date, even if on the assessment date the
 18 property on which the homestead is currently located was vacant land
 19 or the construction of the dwelling that constitutes the homestead was
 20 not completed. The county auditor shall apply the deduction for the
 21 assessment date and for the assessment date in any later year in which
 22 the homestead remains eligible for the deduction. A homestead that
 23 qualifies for the deduction under this section as provided in this
 24 subsection is considered a homestead for purposes of section 37.5 of
 25 this chapter and IC 6-1.1-20.6. ~~The county auditor shall cancel the~~
 26 ~~deduction under this section for any property that is located in the~~
 27 ~~county and is listed on the statement filed by the individual under~~
 28 ~~subdivision (4). If the property listed on the statement filed under~~
 29 ~~subdivision (4) is located in another county, the county auditor who~~
 30 ~~receives the statement shall forward the statement to the county auditor~~
 31 ~~of that other county, and the county auditor of that other county shall~~
 32 ~~cancel the deduction under this section for that property.~~
- 33 (q) This subsection applies to an application for the deduction
 34 provided by this section that is filed for an assessment date occurring
 35 after December 31, 2013. Notwithstanding any other provision of this
 36 section, an individual buying a mobile home that is not assessed as real
 37 property or a manufactured home that is not assessed as real property
 38 under a contract providing that the individual is to pay the property
 39 taxes on the mobile home or manufactured home is not entitled to the
 40 deduction provided by this section unless the parties to the contract
 41 comply with IC 9-17-6-17.
- 42 (r) This subsection:



1 (1) applies to an application for the deduction provided by this
 2 section that is filed for an assessment date occurring after
 3 December 31, 2013; and

4 (2) does not apply to an individual described in subsection (q).

5 The owner of a mobile home that is not assessed as real property or a
 6 manufactured home that is not assessed as real property must attach a
 7 copy of the owner's title to the mobile home or manufactured home to
 8 the application for the deduction provided by this section.

9 (s) For assessment dates after 2013, the term "homestead" includes
 10 property that is owned by an individual who:

11 (1) is serving on active duty in any branch of the armed forces of
 12 the United States;

13 (2) was ordered to transfer to a location outside Indiana; and

14 (3) was otherwise eligible, without regard to this subsection, for
 15 the deduction under this section for the property for the
 16 assessment date immediately preceding the transfer date specified
 17 in the order described in subdivision (2).

18 For property to qualify under this subsection for the deduction provided
 19 by this section, the individual described in subdivisions (1) through (3)
 20 must submit to the county auditor a copy of the individual's transfer
 21 orders or other information sufficient to show that the individual was
 22 ordered to transfer to a location outside Indiana. The property continues
 23 to qualify for the deduction provided by this section until the individual
 24 ceases to be on active duty, the property is sold, or the individual's
 25 ownership interest is otherwise terminated, whichever occurs first.
 26 Notwithstanding subsection (a)(2), the property remains a homestead
 27 regardless of whether the property continues to be the individual's
 28 principal place of residence after the individual transfers to a location
 29 outside Indiana. However, the property ceases to qualify as a
 30 homestead under this subsection if the property is leased while the
 31 individual is away from Indiana. Property that qualifies as a homestead
 32 under this subsection shall also be construed as a homestead for
 33 purposes of section 37.5 of this chapter.

34 SECTION 7. IC 6-1.1-12.4-2, AS AMENDED BY P.L.112-2012,
 35 SECTION 29, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 36 UPON PASSAGE]: Sec. 2. (a) For purposes of this section, an increase
 37 in the assessed value of real property is determined in the same manner
 38 that an increase in the assessed value of real property is determined for
 39 purposes of IC 6-1.1-12.1.

40 (b) This subsection applies only to a development, redevelopment,
 41 or rehabilitation that is first assessed after March 1, 2005, and before
 42 March 2, 2007. Except as provided in subsection (h) and sections 4, 5,



1 and 8 of this chapter, an owner of real property that:
 2 (1) develops, redevelops, or rehabilitates the real property; and
 3 (2) creates or retains employment from the development,
 4 redevelopment, or rehabilitation;
 5 is entitled to a deduction from the assessed value of the real property.
 6 (c) Subject to section 14 of this chapter, the deduction under this
 7 section is first available in the year in which the increase in assessed
 8 value resulting from the development, redevelopment, or rehabilitation
 9 occurs and continues for the following two (2) years. The amount of the
 10 deduction that a property owner may receive with respect to real
 11 property located in a county for a particular year equals the lesser of:
 12 (1) two million dollars (\$2,000,000); or
 13 (2) the product of:
 14 (A) the increase in assessed value resulting from the
 15 development, rehabilitation, or redevelopment; multiplied by
 16 (B) the percentage from the following table:
 17

YEAR OF DEDUCTION	PERCENTAGE
18 1st	75%
19 2nd	50%
20 3rd	25%

 21 (d) A property owner that qualifies for the deduction under this
 22 section must file a notice to claim the deduction. ~~in the manner~~
 23 ~~prescribed by the department of local government finance under rules~~
 24 ~~adopted by the department of local government finance under~~
 25 ~~IC 4-22-2 to implement this chapter.~~ The township assessor, or the
 26 county assessor if there is no township assessor for the township, shall:
 27 (1) inform the county auditor of the real property eligible for the
 28 deduction as contained in the notice filed by the taxpayer under
 29 this subsection; and
 30 (2) inform the county auditor of the deduction amount.
 31 (e) The county auditor shall:
 32 (1) make the deductions; and
 33 (2) notify the county property tax assessment board of appeals of
 34 all deductions approved;
 35 under this section.
 36 (f) The amount of the deduction determined under subsection (c)(2)
 37 is adjusted to reflect the percentage increase or decrease in assessed
 38 valuation that results from:
 39 (1) a general reassessment of real property under IC 6-1.1-4-4;
 40 (2) a reassessment under a county's reassessment plan prepared
 41 under IC 6-1.1-4-4.2; or
 42 (3) an annual adjustment under IC 6-1.1-4-4.5.



1 (g) If an appeal of an assessment is approved that results in a
 2 reduction of the assessed value of the real property, the amount of the
 3 deduction under this section is adjusted to reflect the percentage
 4 decrease that results from the appeal.

5 (h) The deduction under this section does not apply to a facility
 6 listed in IC 6-1.1-12.1-3(e).

7 SECTION 8. IC 6-1.1-12.4-13 IS REPEALED [EFFECTIVE UPON
 8 PASSAGE]. ~~Sec. 13. The department of local government finance shall
 9 adopt rules under IC 4-22-2 to implement this chapter.~~

10 SECTION 9. IC 6-1.1-12.6-0.5, AS AMENDED BY P.L.1-2009,
 11 SECTION 41, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 12 UPON PASSAGE]: Sec. 0.5. As used in this chapter, "affiliated group"
 13 means any combination of the following:

14 (1) An affiliated group within the meaning provided in Section
 15 1504 of the Internal Revenue Code (except that the ownership
 16 percentage in Section 1504(a)(2) of the Internal Revenue Code
 17 shall be determined using fifty percent (50%) instead of eighty
 18 percent (80%)) or a relationship described in Section 267(b)(11)
 19 of the Internal Revenue Code.

20 (2) Two (2) or more partnerships (as defined in IC 6-3-1-19),
 21 including limited liability companies and limited liability
 22 partnerships, that have the same degree of mutual ownership as
 23 an affiliated group described in subdivision (1). ~~as determined
 24 under the rules adopted by the department of local government
 25 finance.~~

26 SECTION 10. IC 6-1.1-12.6-3, AS AMENDED BY P.L.183-2014,
 27 SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 28 UPON PASSAGE]: Sec. 3. (a) A property owner that qualifies for the
 29 deduction under this chapter and that desires to receive the deduction
 30 must complete and date a statement containing the information
 31 required by subsection (b) in the calendar year for which the person
 32 desires to obtain the deduction and file the statement with the county
 33 auditor on or before January 5 of the immediately succeeding calendar
 34 year. ~~in the manner prescribed in rules adopted under section 9 of this
 35 chapter.~~ The township assessor shall verify each statement filed under
 36 this section, and the county auditor shall:

37 (1) make the deductions; and

38 (2) notify the county property tax assessment board of appeals of
 39 all deductions approved;

40 under this section.

41 (b) The statement referred to in subsection (a) must be verified
 42 under penalties for perjury and must contain the following information:



- 1 (1) The assessed value of the real property for which the person
- 2 is claiming the deduction.
- 3 (2) The full name and complete business address of the person
- 4 claiming the deduction.
- 5 (3) The complete address and a brief description of the real
- 6 property for which the person is claiming the deduction.
- 7 (4) The name of any other county in which the person has applied
- 8 for a deduction under this chapter for that assessment date.
- 9 (5) The complete address and a brief description of any other real
- 10 property for which the person has applied for a deduction under
- 11 this chapter for that assessment date.

12 SECTION 11. IC 6-1.1-12.6-9 IS REPEALED [EFFECTIVE UPON
 13 PASSAGE]. ~~Sec. 9: The department of local government finance shall~~
 14 ~~adopt rules under IC 4-22-2 to implement this chapter.~~

15 SECTION 12. IC 6-1.1-12.8-4, AS AMENDED BY P.L.183-2014,
 16 SECTION 18, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 17 UPON PASSAGE]: Sec. 4. (a) A property owner that qualifies for the
 18 deduction under this chapter and that desires to receive the deduction
 19 must complete and date a statement containing the information
 20 required by subsection (b) in the calendar year for which the person
 21 desires to obtain the deduction and file the statement with the county
 22 auditor on or before January 5 of the immediately succeeding calendar
 23 year. ~~in the manner prescribed in rules adopted under section 8 of this~~
 24 ~~chapter.~~ The township assessor, or the county assessor if there is no
 25 township assessor for the township, shall verify each statement filed
 26 under this section, and the county auditor shall:

- 27 (1) make the deductions; and
- 28 (2) notify the county property tax assessment board of appeals of
- 29 all deductions approved;

30 under this section.
 31 (b) The statement referred to in subsection (a) must be verified
 32 under penalties for perjury and must contain the following information:

- 33 (1) The assessed value of the real property for which the person
- 34 is claiming the deduction.
- 35 (2) The full name and complete business address of the person
- 36 claiming the deduction.
- 37 (3) The complete address and a brief description of the real
- 38 property for which the person is claiming the deduction.
- 39 (4) The name of any other county in which the person has applied
- 40 for a deduction under this chapter for that assessment date.
- 41 (5) The complete address and a brief description of any other real
- 42 property for which the person has applied for a deduction under



1 this chapter for that assessment date.
 2 (6) An affirmation by the owner that the owner is receiving not
 3 more than three (3) deductions under this chapter, including the
 4 deduction being applied for by the owner, either:
 5 (A) as the owner of the residence in inventory; or
 6 (B) as an owner that is part of an affiliated group.
 7 (7) An affirmation that the real property has not been leased and
 8 will not be leased for any purpose during the term of the
 9 deduction.
 10 SECTION 13. IC 6-1.1-12.8-8 IS REPEALED [EFFECTIVE UPON
 11 PASSAGE]. ~~Sec. 8: The department of local government finance shall~~
 12 ~~adopt rules and may adopt emergency rules under IC 4-22-2 to~~
 13 ~~implement this chapter.~~
 14 SECTION 14. IC 6-1.1-17-3.5, AS AMENDED BY P.L.257-2013,
 15 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 16 JULY 1, 2015]: Sec. 3.5. (a) This section does not apply to taxing units
 17 located in a county in which a county board of tax adjustment reviews
 18 budgets, tax rates, and tax levies. This section does not apply to a
 19 taxing unit that has its proposed budget and proposed property tax levy
 20 approved under section 20 or 20.3 of this chapter or IC 36-3-6-9.
 21 (b) This section applies to a taxing unit other than a county. Except
 22 as provided in section 3.7 of this chapter, if a taxing unit will impose
 23 property taxes due and payable in the ensuing calendar year, the taxing
 24 unit shall file the following information in the manner prescribed by the
 25 department of local government finance with the fiscal body of the
 26 county in which the taxing unit is located:
 27 (1) A statement of the proposed or estimated tax rate and tax levy
 28 for the taxing unit for the ensuing budget year.
 29 (2) In the case of a taxing unit other than a school corporation, a
 30 copy of the taxing unit's proposed budget for the ensuing budget
 31 year.
 32 (c) In the case of a taxing unit located in more than one (1) county,
 33 the taxing unit shall file the information under subsection (b) with the
 34 fiscal body of the county in which the greatest part of the taxing unit's
 35 net assessed valuation is located.
 36 (d) A taxing unit must file the information under subsection (b)
 37 before September 2 of a year.
 38 (e) A county fiscal body shall complete the following in a manner
 39 prescribed by the department of local government finance before
 40 October 2 of a year:
 41 (1) Review any proposed or estimated tax rate or tax levy filed by
 42 a taxing unit with the county fiscal body under this section.



- 1 (2) In the case of a taxing unit other than a school corporation,
 2 review any proposed or estimated budget filed by a taxing unit
 3 with the county fiscal body under this section.
- 4 (3) In the case of a taxing unit other than a school corporation,
 5 issue a nonbinding recommendation to a taxing unit regarding the
 6 taxing unit's proposed or estimated tax rate or tax levy or
 7 proposed budget.
- 8 (f) The recommendation under subsection (e) must include a
 9 comparison of any increase in the taxing unit's budget or tax levy to:
 10 (1) the average increase in Indiana nonfarm personal income for
 11 the preceding six (6) calendar years and the average increase in
 12 nonfarm personal income for the county for the preceding six (6)
 13 calendar years; and
 14 (2) increases in the budgets and tax levies of other taxing units in
 15 the county.
- 16 (g) The department of local government finance must provide each
 17 county fiscal body with the most recent available information
 18 concerning increases in Indiana nonfarm personal income and
 19 increases in county nonfarm personal income.
- 20 (h) If a taxing unit fails to file the information required by
 21 subsection (b) with the fiscal body of the county in which the taxing
 22 unit is located by the time prescribed in subsection (d), the most recent
 23 annual appropriations and annual tax levy of that taxing unit are
 24 continued for the ensuing budget year.
- 25 (i) If a county fiscal body fails to complete the requirements of
 26 subsection (e) before the deadline in subsection (e) for any taxing unit
 27 subject to this section, the most recent annual appropriations and
 28 annual tax levy of the county are continued for the ensuing budget year.
- 29 SECTION 15. IC 6-1.1-17-20, AS AMENDED BY P.L.257-2013,
 30 SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 31 JULY 1, 2015]: Sec. 20. (a) This section applies to each governing
 32 body of a taxing unit that is not comprised of a majority of officials
 33 who are elected to serve on the governing body. For purposes of this
 34 section, an individual who qualifies to be appointed to a governing
 35 body or serves on a governing body because of the individual's status
 36 as an elected official of another taxing unit shall be treated as an
 37 official who was not elected to serve on the governing body.
- 38 (b) As used in this section, "taxing unit" has the meaning set forth
 39 in IC 6-1.1-1-21, except that the term does not include a public library
 40 or an entity whose tax levies are subject to review and modification by
 41 a city-county legislative body under IC 36-3-6-9.
- 42 (c) If:



1 (1) the assessed valuation of a taxing unit is entirely contained
2 within a city or town; or

3 (2) the assessed valuation of a taxing unit is not entirely contained
4 within a city or town but:

5 (A) the taxing unit was originally established by the city or
6 town; or

7 (B) the majority of the individuals serving on the governing
8 body of the taxing unit are appointed by the city or town;

9 the governing body shall submit its proposed budget and property tax
10 levy to the city or town fiscal body. The proposed budget and levy shall
11 be submitted to the city or town fiscal body in the manner prescribed
12 by the department of local government finance before September 2 of
13 a year. **However, in the case of a public library that is subject to this**
14 **section and is described in subdivision (2), the public library shall**
15 **submit its proposed budget and property tax levy to the county**
16 **fiscal body in the manner provided in subsection (d), rather than**
17 **to the city or town fiscal body, if more than fifty percent (50%) of**
18 **the parcels of real property within the jurisdiction of the public**
19 **library are located outside the city or town.**

20 (d) If subsection (c) does not apply, the governing body of the taxing
21 unit shall submit its proposed budget and property tax levy to the
22 county fiscal body in the county where the taxing unit has the most
23 assessed valuation. The proposed budget and levy shall be submitted
24 to the county fiscal body in the manner prescribed by the department
25 of local government finance before September 2 of a year.

26 (e) The fiscal body of the city, town, or county (whichever applies)
27 shall review each budget and proposed tax levy and adopt a final
28 budget and tax levy for the taxing unit. The fiscal body may reduce or
29 modify but not increase the proposed budget or tax levy.

30 (f) If a taxing unit fails to file the information required in subsection
31 (c) or (d), whichever applies, with the appropriate fiscal body by the
32 time prescribed by this section, the most recent annual appropriations
33 and annual tax levy of that taxing unit are continued for the ensuing
34 budget year.

35 (g) If the appropriate fiscal body fails to complete the requirements
36 of subsection (e) before the adoption deadline in section 5 of this
37 chapter for any taxing unit subject to this section, the most recent
38 annual appropriations and annual tax levy of the city, town, or county,
39 whichever applies, are continued for the ensuing budget year.

40 SECTION 16. IC 6-1.1-17-20.3 IS REPEALED [EFFECTIVE JULY
41 1, 2015]. ~~Sec. 20.3. (a) This section applies only to the governing body~~
42 ~~of a public library that:~~



1 (1) is not comprised of a majority of officials who are elected to
2 serve on the governing body; and

3 (2) has a percentage increase in the proposed budget for the
4 taxing unit for the ensuing calendar year that is more than the
5 result of:

6 (A) the assessed value growth quotient determined under
7 IC 6-1.1-18.5-2 for the ensuing calendar year; minus

8 (B) one (1).

9 For purposes of this section, an individual who qualifies to be
10 appointed to a governing body or serves on a governing body because
11 of the individual's status as an elected official of another taxing unit
12 shall be treated as an official who was not elected to serve on the
13 governing body.

14 (b) This section does not apply to an entity whose tax levies are
15 subject to review and modification by a city-county legislative body
16 under IC 36-3-6-9.

17 (c) If:

18 (1) the assessed valuation of a public library is entirely contained
19 within a city or town; or

20 (2) the assessed valuation of a public library is not entirely
21 contained within a city or town but the public library was
22 originally established by the city or town;

23 the governing body shall submit its proposed budget and property tax
24 levy to the city or town fiscal body in the manner prescribed by the
25 department of local government finance before September 2 of a year.
26 However, the governing body shall submit its proposed budget and
27 property tax levy to the county fiscal body in the manner provided in
28 subsection (d); rather than to the city or town fiscal body; if more than
29 fifty percent (50%) of the parcels of real property within the
30 jurisdiction of the public library are located outside the city or town.

31 (d) If subsection (c) does not apply, the governing body of the public
32 library shall submit its proposed budget and property tax levy to the
33 county fiscal body in the county where the public library has the most
34 assessed valuation. The proposed budget and levy shall be submitted
35 to the county fiscal body in the manner prescribed by the department
36 of local government finance before September 2 of a year.

37 (e) The fiscal body of the city, town, or county (whichever applies)
38 shall review each budget and proposed tax levy and adopt a final
39 budget and tax levy for the public library. The fiscal body may reduce
40 or modify but not increase the proposed budget or tax levy.

41 (f) If a public library fails to file the information required in
42 subsection (c) or (d); whichever applies; with the appropriate fiscal



1 body by the time prescribed by this section; the most recent annual
 2 appropriations and annual tax levy of that public library are continued
 3 for the ensuing budget year.

4 (g) If the appropriate fiscal body fails to complete the requirements
 5 of subsection (e) before the adoption deadline in section 5 of this
 6 chapter for any public library subject to this section; the most recent
 7 annual appropriations and annual tax levy of the city, town, or county;
 8 whichever applies; are continued for the ensuing budget year.

9 SECTION 17. IC 6-1.1-18-5, AS AMENDED BY P.L.137-2012,
 10 SECTION 29, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 11 JULY 1, 2015]: Sec. 5. (a) If the proper officers of a political
 12 subdivision desire to appropriate more money for a particular year than
 13 the amount prescribed in the budget for that year as finally determined
 14 under this article, they shall give notice of their proposed additional
 15 appropriation. The notice shall state the time and place at which a
 16 public hearing will be held on the proposal. The notice shall be given
 17 once in accordance with IC 5-3-1-2(b).

18 (b) If the additional appropriation by the political subdivision is
 19 made from a fund that receives:

20 (1) distributions from the motor vehicle highway account
 21 established under IC 8-14-1-1 or the local road and street account
 22 established under IC 8-14-2-4; or

23 (2) revenue from property taxes levied under IC 6-1.1;

24 the political subdivision must report the additional appropriation to the
 25 department of local government finance. If the additional appropriation
 26 is made from a fund described under this subsection, subsections (f),
 27 (g), (h), and (i) apply to the political subdivision.

28 (c) However, if the additional appropriation is not made from a fund
 29 described under subsection (b), subsections (f), (g), (h), and (i) do not
 30 apply to the political subdivision. Subsections (f), (g), (h), and (i) do
 31 not apply to an additional appropriation made from the cumulative
 32 bridge fund if the appropriation meets the requirements under
 33 IC 8-16-3-3(c).

34 (d) A political subdivision may make an additional appropriation
 35 without approval of the department of local government finance if the
 36 additional appropriation is made from a fund that is not described
 37 under subsection (b). However, the fiscal officer of the political
 38 subdivision shall report the additional appropriation to the department
 39 of local government finance.

40 (e) After the public hearing, the proper officers of the political
 41 subdivision shall file a certified copy of their final proposal and any
 42 other relevant information to the department of local government



- 1 finance.
- 2 (f) When the department of local government finance receives a
3 certified copy of a proposal for an additional appropriation under
4 subsection (e), the department shall determine whether sufficient funds
5 are available or will be available for the proposal. The determination
6 shall be made in writing and sent to the political subdivision not more
7 than fifteen (15) days after the department of local government finance
8 receives the proposal.
- 9 (g) In making the determination under subsection (f), the
10 department of local government finance shall limit the amount of the
11 additional appropriation to revenues available, or to be made available,
12 which have not been previously appropriated.
- 13 (h) If the department of local government finance disapproves an
14 additional appropriation under subsection (f), the department shall
15 specify the reason for its disapproval on the determination sent to the
16 political subdivision.
- 17 (i) A political subdivision may request a reconsideration of a
18 determination of the department of local government finance under this
19 section by filing a written request for reconsideration. A request for
20 reconsideration must:
- 21 (1) be filed with the department of local government finance
22 within fifteen (15) days of the receipt of the determination by the
23 political subdivision; and
24 (2) state with reasonable specificity the reason for the request.
- 25 The department of local government finance must act on a request for
26 reconsideration within fifteen (15) days of receiving the request.
- 27 (j) This subsection applies to an additional appropriation by a
28 political subdivision that must have the political subdivision's annual
29 appropriations and annual tax levy adopted by a city, town, or county
30 fiscal body under IC 6-1.1-17-20 or by a legislative or fiscal body under
31 IC 36-3-6-9. The fiscal or legislative body of the city, town, or county
32 that adopted the political subdivision's annual appropriation and annual
33 tax levy must adopt the additional appropriation by ordinance before
34 the department of local government finance may approve the additional
35 appropriation.
- 36 ~~(k) This subsection applies to a public library that:~~
- 37 ~~(1) is required to submit the public library's budgets, tax rates, and~~
38 ~~tax levies for nonbinding review under IC 6-1.1-17-3.5; and~~
39 ~~(2) is not required to submit the public library's budgets, tax rates,~~
40 ~~and tax levies for binding review and approval under~~
41 ~~IC 6-1.1-17-20.~~
- 42 If a public library subject to this subsection proposes to make an



1 additional appropriation for a year; and the additional appropriation
 2 would result in the budget for the library for that year increasing (as
 3 compared to the previous year) by a percentage that is greater than the
 4 result of the assessed value growth quotient determined under
 5 IC 6-1.1-18.5-2 for the calendar year minus one (1); the additional
 6 appropriation must first be approved by the city, town, or county fiscal
 7 body described in IC 6-1.1-17-20.3(c) or IC 6-1.1-17-20(d), as
 8 appropriate.

9 SECTION 18. IC 32-25.5-1-1, AS AMENDED BY P.L.231-2013,
 10 SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 11 JULY 1, 2015]: Sec. 1. (a) This article applies to the following:

12 (1) A homeowners association established after June 30, 2009,
 13 **that is authorized to impose mandatory dues on the**
 14 **homeowners association's members.**

15 (2) A homeowners association established before July 1, 2009:

16 (A) if a majority of the members of the homeowners
 17 association elect to be governed by this article; or

18 (B) if the number of members required by the homeowners
 19 association's governing documents elect to be governed by this
 20 article if a different number of members other than the number
 21 established in clause (A) is required by the governing
 22 documents.

23 (b) IC 32-25.5-3-8 applies to all homeowners associations.

24 (c) IC 32-25.5-3-3(g) through IC 32-25.5-3-3(m) apply to all
 25 homeowners associations.

26 SECTION 19. **An emergency is declared for this act.**

